

# Purchasing Week

McGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING

Vol. 2 No. 2

New York, N. Y., January 12, 1959

Price Perspective	2
Washington Perspective	4
Foreign Perspective	8
Meetings	9
Purchasing Week Asks You	11
New Products	16
Profitable Reading for P.A.'s	19

\$6 A YEAR U. S.  
AND CANADA

\$25 A YEAR  
FOREIGN

## Machine Tool Buying Rising; Prices Up Too

**Cleveland**—A modest increase in list prices combined with a sharper increase in purchasing activity—that's the outlook for buyers of machine tools in 1959.

These are the result of a detailed industrial economic analysis backed up by a spot check of machine tool buyers throughout the country, both recently completed by PURCHASING WEEK.

The price side of the outlook coin needs a closer look, for a somewhat contradictory trend seems to be in the making. Under the pressure of sharply reduced domestic demand (see chart on page 3), and increasing foreign competition, discounting has become quite prevalent in many machine tool areas.

Delivered prices of standard machine tools from abroad range from 35 to 50% below those of comparable machinery made in

(Continued on page 3)

## B. & O.'s Volume Rates Supported

**Washington**—Big blue chip shippers have come out in strong support of the Baltimore & Ohio Railroad's new volume freight rates on piggyback service between the east and Chicago areas.

Truckers want to knock out the new volume rate schedules being proposed by railroads throughout the country in an effort to regain business lost to the motor carriers (see P.W., Oct. 20, p. 1).

But companies whose annual shipping volume represents hefty portions of the rails' freight business have asked the Interstate Commerce Commission for an opportunity to speak up on behalf of the rails when the issues come up for hearing.

The I.C.C. allowed the new

(Continued on page 21)

## Union and Shippers Meeting; I.L.A. After Part of Containerization Gains

**New York**—Full scale discussions on the problems of pier automation and containerization opened last week between the New York Shipping Association and the International Longshoremen's Association.

While these talks mainly concern operations at the Port of New York, management-labor decisions reached here are expected to form the basis of a broad nationwide policy. The increasing use of shipping containers to cut transportation costs makes the outcome of special interest to purchasing/traffic directors.

The "steamed up" longshore-

## Eager Salesmen Looking Into Value Analysis

**Schenectady, N. Y.**—One of purchasing's prime tools, value analysis, is moving into the hands of salesmen. They are picking up value analysis know-how through the medium of seminars.

The first such seminar conducted by Value Analysis Inc. (P.W., Dec. 15, p. 1) took place last week. Others are planned for the future.

Some ten companies sent their top sales personnel to gather the facts on value analysis and its applications to selling. The attendees expect to pass their knowledge on at meetings with their sales staffs.

They also have another use for

(Continued on page 22)



PURCHASING EXECUTIVES will be hearing about value analysis from salesmen if advice of J. K. Fowlkes, left, and H. L. Leslie is taken.

## States Turn Attention to Purchasing; Finally See Value in Better Buying

**New York**—Purchasing, ignored for years by authorities of non-federal government agencies, is now getting their closest attention. Part of it is coming from bad-business practices of purchasing departments operating under laws that have outlived their usefulness. Another part comes from the fact that officials short of money are starting to realize that better buying practices will give them more for their dollar. This in turn will enable them to stretch their dollars over a wider range of activities.

Though states, counties, and municipal governments throughout the country have been affected, recent ones follow:

**Atlanta**—Georgia legislators see higher salaries for state purchasing officials and a complete cleanup of present purchasing methods as the solution to the state's purchasing deficiencies.

Those were the principal recommendations listed by a legislative watchdog committee when it wound up its investigation of state purchasing affairs last week.

Such house cleaning moves by the state purchasing department and state legislature could save Georgia taxpayers \$5 million a year, the report asserted.

The committee's findings write what probably could be the final chapter of the Georgia purchasing scandal which first hit headlines here in 1956 (P.W. Dec. 29 p 1). State purchasing Agent C. Lawton Shaw, political cohort

(Continued on page 22)

## Cubans Rushing Sugar to Market

**Havana**—Cuba's new revolutionary government has gone all-out to repair key bridges and railheads damaged during the civil war so that raw sugar can be hauled to port.

With the start of the 1959 sugar harvest only a few days off, the "new regime" knows these hurried repairs could spell the difference between a rich or poor crop reaching the market. Sugar accounts for up to 75% of Cuba's wealth.

On-the-scene sources believe most essential communication and transportation lines probably will be open by the time the harvest is in full swing. Thus, no shortages or wide price swings are expected.

American firms with other

(Continued on page 21)

## Steel Industry Fighting Curbs on Ore Imports

**Washington**—The steel industry played up national defense needs and the threat of higher domestic steel prices in opposing tariff-quota curbs on iron ore imports last week.

Leading spokesmen for the industry testified as virtually one voice in urging the Tariff Commission to keep iron ore free of duties. A one-day hearing on ore duties was called by the commission at the direction of the Senate Finance Committee. Iron ore mining-state legislators have been pressuring for new trade curbs.

Labor union spokesmen

(Continued on page 4)

## Firm Soft Coal Tags Slowing Hard Coal Pact

**Pittsburgh**—Soft coal's difficulty in pushing through bituminous price hikes this week developed as a factor helping delay settlement of a union contract with hard coal producers.

Although soft coal operators aimed for increases of up to 25-30¢ a ton effective Jan. 1 to cover a \$2 a day wage hike won by 180,000 bituminous miners, many are finding it hard to come by.

Eastern consumers report no price increases at all. Southern and midwest coal users report boosts pegged at "minimum" levels.

In the anthracite talks, the United Mine Workers agreed to extend its present pact with operators through Jan. 15 in hopes of reaching "a mutually satisfactory" (Continued on page 21)

## Big Fight in Sight On Defense Budget

**Washington**—The outlook is for a knock-down, drag-out fight in the coming months between Congressional Democrats and the Administration on the defense budget issue. The Russians' cosmic rocket Mecha fanned an already burning issue.

The Soviets' space spectacular provided the Democrats in Congress with fire power with which they can, and will, blast the Eisenhower Administration's space program as being too little, too late.

Even before they returned to

(Continued on page 21)

## Tax Laws Affect Industrial Buying

**Washington**—The turn of the new year put into effect a whole new set of tax laws affecting business transactions in general and industrial buying in particular.

Purchasing agents already have begun paying higher taxes on a big new list of items—Jan. 1 changes which eventually will add more than \$1 billion to the nation's tax bill. But at the same time, a number of levies were reduced or eliminated outright. A number of these are cited below.

The changes stem from new tax laws passed by Congress last summer. Some of the revisions were effective before the end of 1958, but many just started New Year's Day.

The differences are mainly the result of an overhaul of excise tax statutes to clarify or strengthen the tax code. Some changes were up, others down.

For instance, stencil-cutting

(Continued on page 21)

This Week's

## Purchasing Perspective

JAN. 12-18

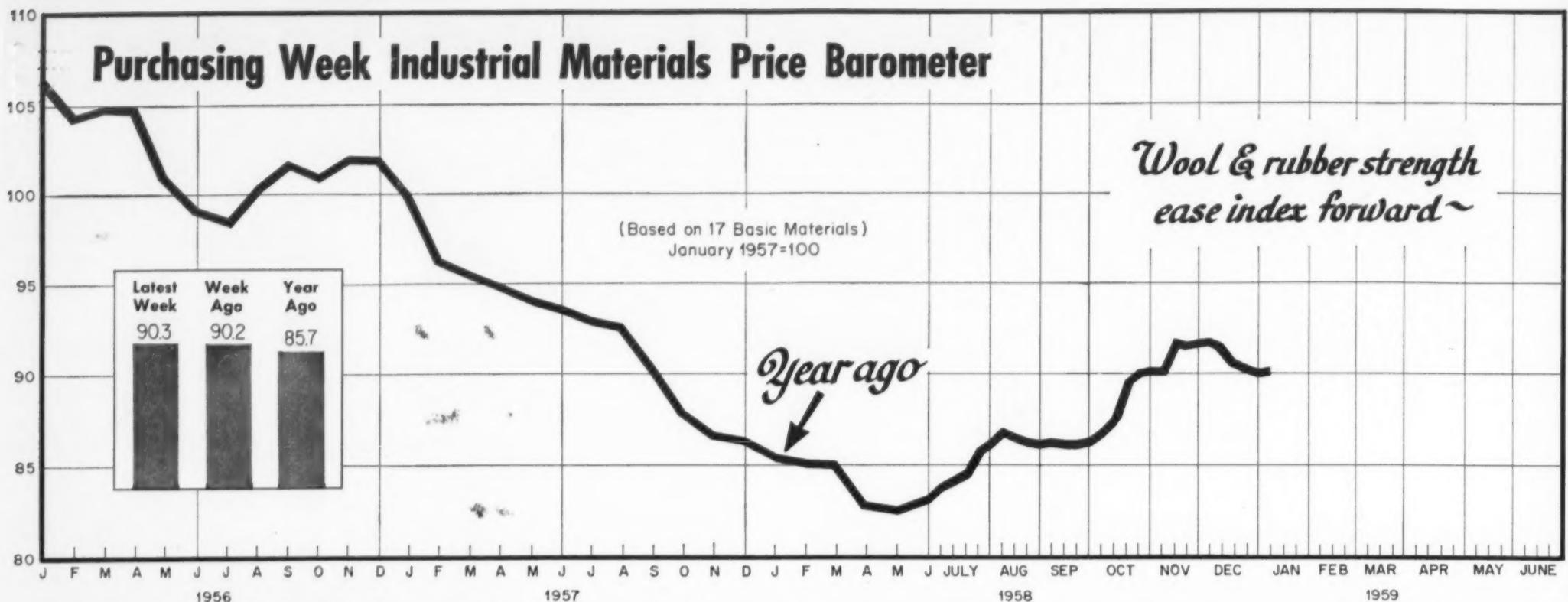
**It's been noted here before that the governmental P.A. buys in a goldfish bowl.** He does things differently, and with good reason. Thus industrial purchasing executives can be expected to react somewhat negatively to the let-him-down-easy statement of a high official who recently fired the chief buyer in a Pacific Northwest state (see page 22).

**The implication was that the ousted P.A.'s poor judgment in his public buying job involved dealings which are common practice for a private industry buyer.**

**How much the state lost (if anything) through the placing of non-competitive orders, or suffered through the purchase of materials from close friends and family, is not necessarily the point.** The case appears to hinge on the question of whether specific buying rules were adhered to; and if not, why not? That's why there's plenty of room to take issue with implications of the state official's statement.

**Business pointers: The federal government's monthly "inventory" of inventories is in for November, showing its first rise (\$200 million over October) since September, 1957 when the long decline set in. This lagging indicator, however, showed**

(Continued on page 21)



*Wool & rubber strength ease index forward~*

This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they re-

lect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

**This Week's**

## Price Perspective

JANUARY 12-18

European currency reforms can have important price and trade repercussions—both in the countries involved and to buyers here, too.

Overseas, the decision of the British and others to make their currencies externally convertible is a pretty good indication that Western Europe no longer fears the bogey of inflation.

If sky-rocketing prices were anticipated, these nations would hardly have done what they did.

For inflation now could upset the whole international trade applecart.

It would discourage European exports by making them more expensive. It would encourage European imports through greater domestic demand and relatively lower foreign quotations.

Result would be a squeeze on the currencies involved. As such, it would call for tighter controls instead of the relaxation now going in effect.

• • •

Price is also behind the French decision to devalue the franc.

Before the move, France's internal price structure was about 15-20% above that of neighboring countries. A slightly more than 17% devaluation now means that this price differential is theoretically removed.

The price effect of switching the exchange rate from 420 francs to the dollar up to 494 francs is best illustrated by an example.

Assume you import an article from France for 2,100 francs. Before devaluation this would have cost you (2,100 francs/420 francs = \$5.00).

Now if you buy that same product, it theoretically costs you somewhat less—\$4.25 to be exact (2,100 francs/494 francs = \$4.25).

• • •

Accent in the previous example is on the word "theoretical."

That's because it isn't too likely that all of the currency saving noted above would be passed on to you, the buyer.

Some manufacturers (already in a strong competitive position) may simply take advantage of devaluation to boost their own prices.

In the above example, if the price in francs were raised 17.6% to 2,470 francs, you would still be paying \$5, the predevaluation dollar price.

Another factor: French production costs may rise a bit. Certainly, raw materials coming into France will now be costing more.

Also, de Gaulle's austerity program means cuts in farm and transportation subsidies, plus tax boosts. All this raises French costs and prices.

• • •

What does all this currency reform mean to buyers here?

For the short run, probably very little. As noted above there's a tendency for prices in France to fall, but that's only from France, and it will average out well under the 17% devaluation amount.

For the medium term, the effect in certain areas may be considerable. We may, for example, be able to sell more of our farm surplus and capital equipment to Europe. Reason: These nations can now more easily convert their foreign exchange into dollars to pay for the purchases.

Long-run effects will probably be most important of all. If successful, easing of trade bars will mean the problem of international inflation is being licked. That in itself is bound to have an effect on prices we will be paying one, two, and three years hence.

More important, freer trade in itself means lower prices. Other things being equal, the greater the international flow of goods, the lower the over-all international price level.

## This Week's Commodity Prices

	Jan. 7	Dec. 31	Year Ago	% Chg.
<b>METALS</b>				
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton	80.00	80.00	77.50	+ 3.2
Steel, structural shapes, Pitts., cwt	5.50	5.50	5.275	+ 4.3
Steel, structural shapes, Los Angeles, cwt	6.20	6.20	5.975	+ 3.8
Steel, bars, del., Phila., cwt	5.975	5.975	5.725	+ 4.4
Steel, bars, Pitts., cwt	5.675	5.675	5.425	+ 4.6
Steel, plates, Chicago, cwt	5.30	5.30	5.10	+ 3.9
Steel scrap, #1 heavy, del. Pitts., gross ton	43.00	43.00	32.50	+32.3
Steel scrap, #1 heavy, del. Cleve., gross ton	39.00	38.00	26.50	+47.2
Steel scrap, #1 heavy, del. Chicago, gross ton	43.00	43.00	31.00	+38.7
Aluminum, pig, lb	.247	.247	.26	- 5.0
Secondary aluminum, #380 lb	.218	.218	.223	- 2.3
Copper, electrolytic, wire bars, refinery, lb	.286	.286	.265	+ 7.9
Copper scrap, #2, smelters price, lb	.233	.233	.188	+23.9
Lead, common, N.Y., lb	.13	.13	.13	0
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	.70	+ 5.7
Tin, Straits, N.Y., lb	.991	.984	.94	+ 5.4
Zinc, Prime West, East St. Louis, lb	.115	.115	.105	+ 9.5
<b>FUELS</b>				
Fuel oil #6 or Bunker C, Gulf, bbl	2.00	2.00	2.55	-21.6
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.37	2.37	2.95	-19.7
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.15	2.15	2.85	-24.6
LP-Gas, Propane, Okla. tank cars, gal	.055	.055	.05	+10.0
Gasoline, 91 oct. reg, Chicago, tank car, gal	.115	.115	.125	- 8.0
Gasoline, 84 oct. reg, Los Angeles, rack, gal	.108	.108	.126	-14.3
Coal, bituminous, slack, ton	5.75	5.75	6.05	- 5.0
Coke, Connellsville, furnace, ton	15.25	15.25	15.25	0
<b>CHEMICALS</b>				
Ammonia, anhydros, refrigeration, tanks, ton	90.50	86.50	90.50	0
Benzene, petroleum, tanks, Houston, gal	.31	.31	.36	-13.9
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.30	+11.6
Coconut, oil, inedible, crude, tanks, N.Y. lb	.203	.203	.146	+39.0
Glycerine, synthetic, tanks, lb	.278	.278	.28	- .7
Linseed oil, raw, in drums, carlots, lb	.160	.163	.187	-14.4
Phthalic anhydride, tanks, lb	.205	.205	.205	0
Polyethylene resin, high pressure molding, carlots, lb	.325	.325	.35	- 7.2
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.85	9.85	9.40	+ 4.8
Shellac, T.N., N.Y. lb	.31	.31	.34	- 8.8
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	23.50	0
Sulfuric acid, 66° commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb	.078	.079	.083	- 6.0
Titanium dioxide, anatase, reg. carlots, lb	.255	.255	.255	0
<b>PAPER</b>				
Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.00	17.00	17.00	0
Bond paper, #1 sulfite, water marked 20 lb, carton lots, CWT	24.20	24.20	24.20	0
Chipboard, del. N.Y., carlots, ton	100.00	100.00	100.00	0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls	9.00	9.00	9.50	- 5.3
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.40	0
Old corrugated boxes, dealers, Chicago, ton	23.00	23.00	17.00	+35.3
<b>BUILDING MATERIALS</b>				
Brick, del. N.Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl	4.29	4.29	4.42	- 3.0
Glass, window, single B, 40" Bracket, box, fob N.Y.	7.90	7.90	7.09	+11.4
Southern pine lumber, 2x4, 4s, trucklots, fob N.Y.	119.00	119.00	112.00	+ 6.3
Douglas fir lumber, 2x4, 4s, carlots, fob Chicago	130.00	129.00	113.00	+15.0
<b>TEXTILES</b>				
Burlap, 10 oz, 40", 100 yd	10.50	10.50	10.35	+ 1.4
Cotton, middling, 1", N.Y., lb	.357	.357	.365	- 2.2
Printcloth, 39", 80x80, N.Y., spot, yd	.182	.182	.178	+ 2.2
Rayon, satin acetate, N.Y., yd	.258	.258	.305	-15.4
Wool tops, N.Y. lb	1.45	1.43	1.565	- 7.4
<b>HIDES AND RUBBER</b>				
Hides, cow, light native, packers, lb	.18	.18	.145	+24.1
Rubber, #1 std ribbed smoked sheets, N. Y., lb	.305	.302	.284	+ 7.4

# Machine Tool Buying to Sharpen; Slight Price Rise, Check Reveals

Purchasing Week Study Indicates Year Will Mark Comeback of Hard-Hit Industry; Foreigners Active

(Continued from page 1)  
this country. Unofficial estimates are that imported forging machinery alone displaced around \$60 million in U. S. business last year. So sellers of various mill, shop, hand, band saw, air, drill, and small tools have been cutting quotes because of this intense competition.

In spite of this, however, buyers of machine tools contacted by PURCHASING WEEK were almost unanimous in predicting higher list prices for machine tools during 1959, primarily because of increased demand and higher production costs. However, about half of the buyers expect discounting to continue throughout the year, though price shavings of a lesser amount than in 1958 are expected.

## Machine Tools Firming

To sum up, despite the continuation of some discounting, prices of machine tools will maintain a firming trend during 1959. Through increased demand the industry expects a 13% boost in sales over 1958 this year. That would put total industry shipments in 1959 at about \$575 million, compared to some \$510 million in 1958.

The chart above right shows just how bad a year 1958 was for machine tool builders. Total shipments dropped 53% below the 1957 level with domestic deliveries trailing the year-ago level by 55%. Foreign deliveries, which have been declining rapidly for many years, dipped another 38% in 1958.

## Hope Seen for Next Year

But despite a miserable year in 1958, producers saw hope for next year in final-quarter 1958 figures. The last three months of the year saw some \$95 million worth of machine tools shipped to domestic users. That was 20% above the third-quarter total and represented the smallest year-to-year quarterly decline in 1958. It also meant the first quarter-to-quarter shipment upturn in over two years.

Other reasons behind the expected 13% boost in machine tool deliveries this year are:

- General business confidence, well supported by rising industrial output, is on the upswing.
- There is a growing need for the replacement of old machines. Surveys indicate that about 60% of the machine tools now in use are more than ten years old and about 20% were built more than 20 years ago.
- Upped competition and lower profits in many industrial areas are forcing management's hand toward the purchase of newer and more automated equipment.

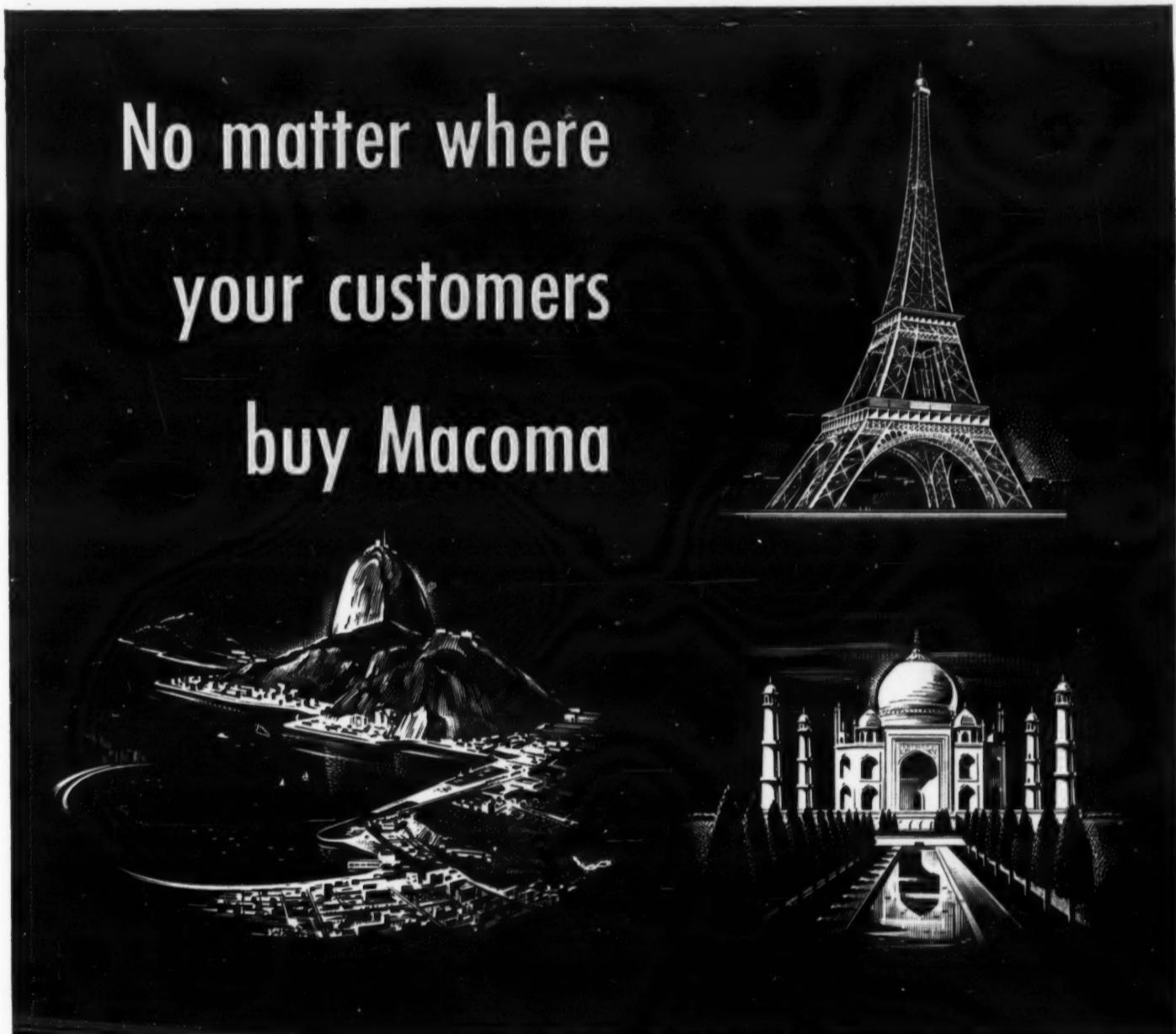
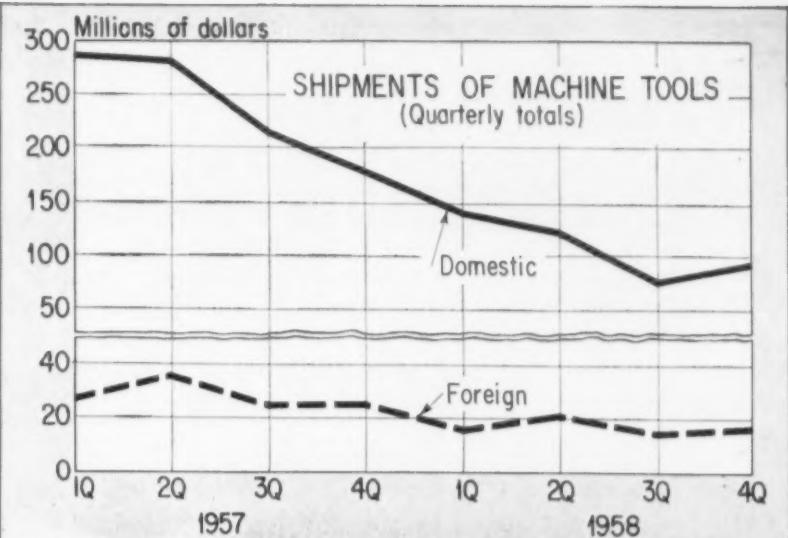
One P.A. told PURCHASING WEEK his firm is under increased pressure to cut production costs, especially in the labor area, so they expect to invest in machine tools that will eliminate some manual processes and produce more efficiently.

• The hope on the part of producers that Congress will liberalize "Bulletin F" on depreciation of machine tools. Action of this kind would be considered by

stress on missiles as opposed to manned aircraft.

It is also likely that the ratio of export shipments will slip again. That's because machine tool exports now are mainly limited to special types of machinery not made abroad, a situation which is gradually changing as European industry widens its range of products.

Besides cheaper materials, foreign producers have an advantage in that they obtain labor at less than half the cost of American manufacturers. It means that the only way U. S. firms can compete is to build plants abroad, and there is a growing trend in that direction.



## Other Outstanding Shell Industrial Lubricants

**Shell Tellus Oils**—for closed hydraulic systems  
**Shell Alvania Grease**—multi-purpose industrial grease  
**Shell Turbo Oils**—for utility, industrial and marine turbines  
**Shell Rimula Oils**—for heavy-duty diesel engines  
**Shell Talona R Oil 40**—anti-wear crank-case oil for diesel locomotives  
**Shell Dromus Oils**—soluble cutting oils for high-production metal working  
**Shell Voluta Oils**—for high-speed quenching with maximum stability

## Its performance and name are the same around the world

Shell Macoma Oils are premium quality, fortified extreme pressure gear oils. They provide superior high-load-carrying capacity and are particularly effective where overloading, severe shock-loading or general heavy-duty conditions exist.

Macoma\* Oils have these added built-in benefits: excellent resistance to oxidation, great adhesiveness, rapid separation from water. They are non-

corrosive, non-foaming and have high stability in storage.

The world-wide availability of Macoma Oils is assurance that your customers abroad will get the same performance from your equipment that your domestic customers rely upon. For complete specifications, write Shell Oil Company, 50 West 50th St., New York 20, N. Y. or 100 Bush St., San Francisco 6, California.

\*Registered Trademark

# SHELL MACOMA OIL



# Washington Perspective

JAN. 12-18

## Congress is in a restless, rebellious frame of mind.

Rank-and-filers are displaying an independence and aggressiveness they haven't shown in years. But as of now it's still only a mood, a largely undefined one, with no real direction behind it. This makes it hard to predict exactly what the new Congress will be up to.

**This much is clear: President Eisenhower and the Congressional leaders of the Democrats are going to have a job on their hands to hold their parties in line this year.**

The widespread feeling of discontent for now is directed against the established leadership of both parties, a feeling that something more needs to be done.

This shows up in the successful G.O.P. revolt in the House against Rep. Joseph Martin as Republican leader, an overthrow without precedent in the memory of Capitol Hill observers.

This success will only embolden the Congressmen further. The leaders know this and are moving to counter. They'll try to direct this restless energy into other, safer channels.

There will be a lot of talk about big new programs, and the budget is certain to go higher than the \$77 billion Eisenhower proposes. But the leaders will exercise a brake to hold the spending drive in check.

**Outlets for discontent will be diverted into two main areas this year: against big business and against the defense program.**

First take business. The top-heavy Democratic Congress will be busy enough just investigating in this area. This will take the form of price and inflation probes mainly, with side looks at competition and antitrust activities. Democrats expect to make a lot of hay with these; they may even come up with an anti-inflation program of sorts.

But there won't be anything like a New Deal list of legislation. The big push will come next year to broaden and initiate new economic and social legislation.

Then there's defense. For the second year in a row, the Congress starts off with the Soviets flying high with their latest space triumph. Democrats are sure to challenge Eisenhower vocally on what was considered his strongest ground, especially since his tight new budget envisions slightly less defense spending.

It's almost certain Congress will step up military outlays, charging Eisenhower is endangering the country's security. But the President still holds too great influence on military matters for them to make it stick this year.

Next year, Democrats may lay out their own defense program for 1961 when Eisenhower no longer will be in office.

• • •

**New moves are afoot to investigate the Interstate Commerce Commission and its rate-making policies.** Carriers also would come in for Congressional scrutiny under the proposal.

The proposals come from the House Subcommittee on Legislative Oversight which made a perfunctory examination of the I.C.C. last year. The group may go out of business this year. But it recommends that if it does, other Congressional committees take up where it left off.

The subcommittee in its final report on its inquiries last year into the I.C.C. and other regulatory agencies proposed stiff new penalties for anyone trying to improperly influence agency decisions. For the I.C.C., it specifically recommended these further steps:

- A review of standards used in arriving at suspension of rate decisions. This would include going into carrier records.
- A study to determine whether I.C.C. has pegged rates too high in many cases.
- A review of field cases where "there is reason to suspect pressure has been exerted."

## Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	2,109	2,058	1,515
Autos, units	97,819	104,907	76,653
Trucks, units	13,955	15,212	12,817
Crude runs, thous bbl, daily aver	8,256	8,165	7,867
Distillate fuel oil, thous bbl	14,593	14,208	13,240
Residual fuel oil, thous bbl	7,056	7,987	7,892
Gasoline, thous bbl	29,714	29,105	27,591
Petroleum refineries operating rate, %	85.7	84.7	86.6
Container board, thous tons	95,880	146,013	95,037
Boxboard, thous tons	96,600	149,906	118,117
Paper operating rate, %	51.8	92.4	49.4
Lumber, thous of board ft	147,652	241,828	105,914
Bituminous coal, daily over thous tons	1,179	1,505	1,169
Electric power, million kilowatt hours	12,364	12,379	11,692
Eng const awards, mil \$ Eng News-Rec	260.0	273.2	171.0



## New Orders Rising; So Business Will Improve

**Ratio to Sales Getting Better; Inventory Rebuilding Indicated; With Unfilled Orders Increasing Pressure Will Go on Purchasing**

**New York**—Continuing improvement in factory new orders provides firm evidence that the recovery pattern will extend well into 1959. Particularly impressive is the recent rise in the "New Order: Sales" ratio (see chart above). When this key barometer is going up, you can be almost sure of expanded business activity in the coming months.

### Several Implications

Actually this key ratio has several important implications for your own purchasing and inventory operations:

- The fact that orders are outpacing sales is another way of saying that backlog of unfilled orders are increasing. This can only mean rising production schedules, with the accompanying expansion in your own buying activities.
- Increasing backlog also can mean growing pressure to meet deadlines. Management will be more and more insistent on having materials and supplies available when needed.

- It also means you can look for upped demand for many different types of goods. This could indicate upward price pressure on some of the more volatile commodities.

Examination of the two components of the New Order: Sales ratio explains the improvement.

Hard goods incoming business, reflecting increasing business optimism, has jumped up 11% over the past year. Orders in this sector are now at the highest level since May 1957.

### Hard Goods Improved

Hard good sales, on the other hand, have improved more slowly, reflecting in part the poor order picture of 12 months ago. Despite recent upturn, sales are currently running only at about year-ago levels.

**Result:** The higher rate of new orders has raised the ratio from -9% (orders 9% below sales) to +2% (orders 2% above sales). The chart above gives the details.

If nothing else, history has proved the accuracy of this ratio as a business barometer. Thus,

the ratio turned positive in June 1958. It's no coincidence that production bottomed out at about the same time and began to rise by autumn.

Note also how the ratio foretold the recent recession. New hard good orders began to lag consistently behind sales by the beginning of 1957. It telegraphed the need for production cutbacks. Significantly enough, industrial output began to falter later on.

How the ratio fares in the coming months can provide some important clues to how good a year 1959 will turn out to be. Continued recovery in consumer and capital goods lines, plus increasing pressure for more government spending, could push the ratio even higher by early spring.

### Government Holds Key

The government factor could hold the key to how high it will go. With the Soviet "Lunik" now in orbit around the sun, you can expect increasing Congressional clamor for letting more orders for military hardware.

Current inventory developments also are leading to a firm-

ing of the new order picture. Passing from an inventory liquidation to an inventory accumulation phase necessarily means increasing orders to bring stocks up to desired levels.

Verification that the liquidation phase is over, comes from latest Department of Commerce official inventory statistics. After more than a year of steady decline, factory stocks have now remained unchanged for 2 months.

Specific industry groups report little significant changes over this period. Only exceptions: Some minor accumulations by primary metal producers, and some additional liquidation in the non-electrical machinery field have been reported.

Days' supply has fallen, too, indicating that inventory buildup isn't too far ahead. For all hard goods producers, the average days' supply on Dec. 1 was 62 days after adjustment for seasonal variations. Comparable month-ago figure was 65 days, a considerable drop and way below the 77-day high set back in March, 1958.

## Steel Industry Fighting Curbs On Ore Imports, Against Duties

**(Continued from page 1)** backed up producers by telling the commission that unemployment in domestic iron mines resulted from the general slump in domestic steel production last year, and not from increased imports of foreign ore.

Benjamin F. Fairless, American Iron & Steel Institute president, asserted the "long-standing policies of the major ore consuming and producing countries with respect to free international movement of iron ore are important to the continuing solution of the problem of a balanced supply." Representatives of U.S. Steel Corp., Inland Steel, and other big producers said tariffs or quotas would result in higher prices and foul up overseas markets, plus alienate ore-producing allies such as Canada.

In other tariff action, domestic hardwood plywood producers made a second try for increased import protection from Japanese competitors. The industry asked the commission to grant new escape clause relief in the form of higher duties on imports of so-called "market" plywood. Appeal hearing will open Apr. 14.

Imports of market hardwood plywood have increased more than a third since 1955 when the commission turned down domestic producers' first requests for import protection on both market and "captive" plywood. Market plywood is sold as an end product for consumption; captive plywood is used for further manufacture.

The present duty on most hardwood plywood now ranges between 15 to 20% ad valorem.

# ONE YALE TRUCK DOES THREE JOBS ECONOMICALLY

## K-46 equally efficient in warehousing, on loading ramp, for mounting and dismounting operations

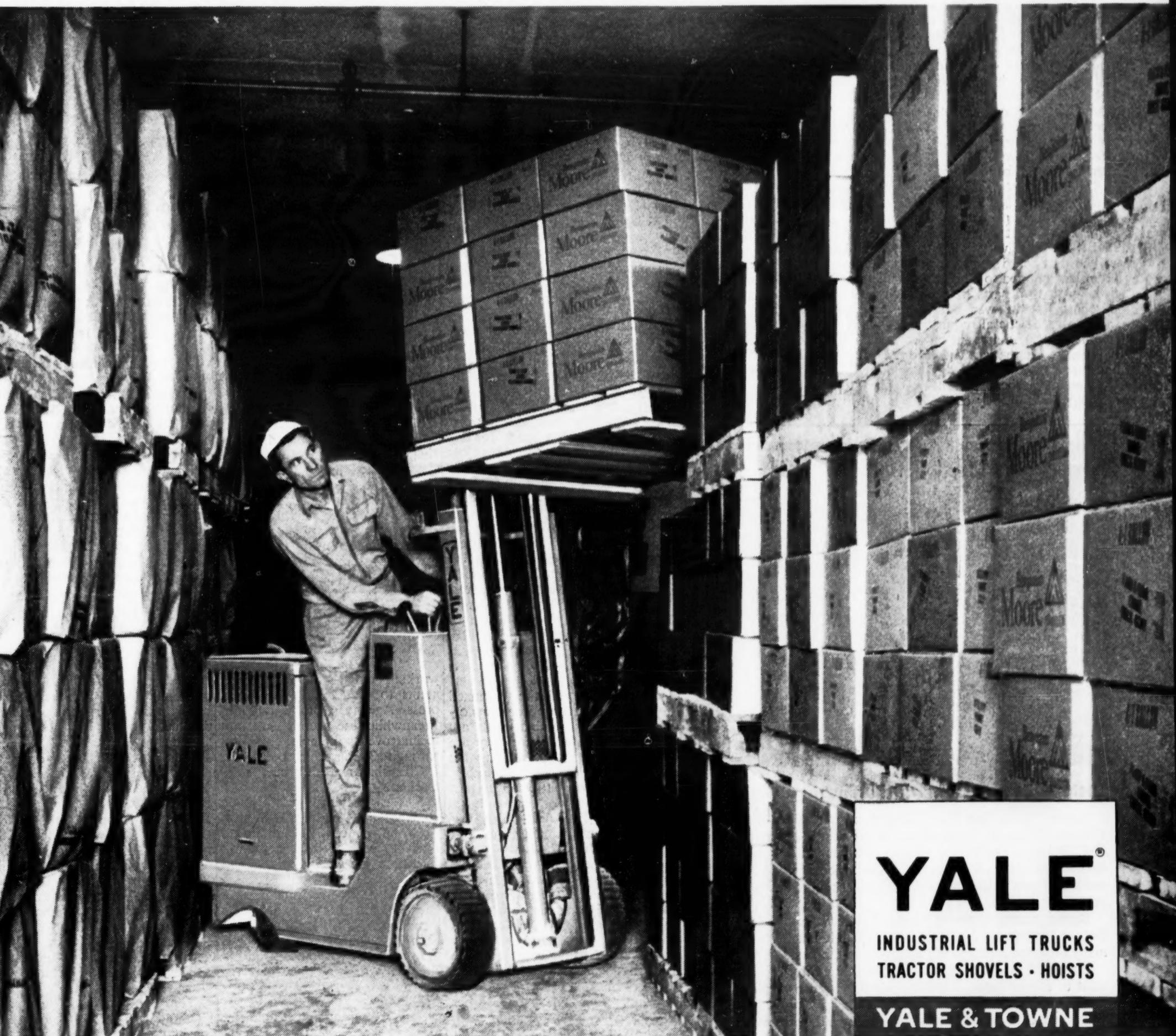
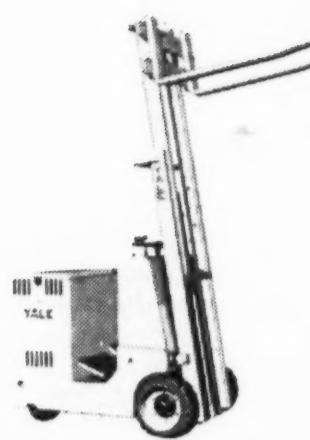
If your requirements call for a one-truck fleet, the versatile Yale K-46 is the truck for you!

Three features give this economical Yale truck an extraordinary degree of usefulness. *Compactness* makes it a good narrow-aisle truck. *Maneuverability* makes it the perfect truck for loading and unloading on the delivery ramp. *Standup cockpit* permits easy, fast mounting and dismounting...gives the driver a clearer view for loading operations and aisle movement.

The K-46 is the ideal truck for profitable short

cycle operations. Compact as it is, this economical truck has *all* the features of the large Yale electric trucks. Exclusive Magnetic Cam-O-Tactor for controlled acceleration and smooth travel—rugged durability—low-cost operation—dead-man control and other safety features. Capacities, 2,000 and 3,000 lbs.

For information about this stand-up electric truck, a cost-cutter in Yale's line of electric trucks (capacities 1,000 to 200,000 lbs.), call your Yale representative, or write for brochure #5112. The Yale & Towne Manufacturing Co., Yale Materials Handling Division, Philadelphia 15, Pennsylvania, Dept. KT 1-H.



Yale Materials Handling Division, a division of The Yale & Towne Manufacturing Company. Manufacturing Plants: Philadelphia, Pa., San Leandro, Calif., Forrest City, Ark. Products: Gasoline, Electric, Diesel and LP-Gas Industrial Lift Trucks • Worksavers • Warehouses • Hand Trucks • Industrial Tractor Shovels • Hand, Air and Electric Hoists



# Champion Paper P.A. Elevated

## Whitworth Lands Top Spot as Firm Sets Up Materials Management

**Canton, N. C.**—A purchasing man moved into the top spot when Champion Paper & Fibre Co. established a materials management setup at its Carolina Division, effective Jan. 1.

Champion's new Materials Department, under the direction of former division purchasing agent Hall B. Whitworth, brings together the functions of purchasing, storage, handling, and shipping of materials. It generally encompasses the broad materials management criteria discussed at length in a PURCHASING WEEK materials management analysis last week (P.W. Jan. 5, p. 12).

The newly created department will direct the functions pertaining to materials flow from time of purchase to point of manufacture. It also will have responsibility for storage and deliveries of manufactured products to customers, maintenance of operating supplies, and inventory control of both materials-in-process and storage items. Thus the department's responsibility extends to both materials used in manufacturing at the Canton plant as well as the mill's paper products.

Reporting to Whitworth as subdivisions of the Materials Department are purchasing, traffic, receiving and storage, materials handling, and shipping. A store-room section will be established.

Division Manager A. M. Fairbrother said the purpose of the organizational changes "was to integrate all the activities concerned with the flow of materials under one head in the belief that this can substantially improve our services to our customers and the public which uses our products."

Whitworth's assistant, Dan H. Reno, was promoted to purchasing agent to replace him. Frank J. Clontz was named as assistant purchasing agent to replace Reno.



W. M. DAVIS

## Davis New Dist. 3 VP

**Davenport, Iowa**—W. M. Davis has been named N.A.P.A. District 3 vice president, filling the vacancy created by the death of George A. Forbes. Davis, director of purchasing at Rock Island Steel Division, Macomber, Inc., also is active in the Tri-City Association of Purchasing Agents and one of its past presidents.

## 3 Oregon P.A.'s Instruct At Salesmanship Class

**Portland, Ore.**—Do's and don'ts for salesmen dealing with P.A.'s were outlined for a Northwestern School of Commerce salesmanship class.

Three Purchasing Agents Association of Oregon members told, "What I Like and Dislike About Salesmen."

The trio, Fred Hodge, education chairman; Winston Bunnell, past president; and Ralph Dawson, secretary, made these four points:

- Know your product.
- Avoid poor timing on calls.

• Take care to identify yourself.

• Refrain from trying to "go around" the P.A. by soliciting orders in a using department.

## Hamilton District P.A.'s Name Oliver to Board

**Hamilton, Ontario**—Hamilton District P.A.'s interrupted their Christmas party to amend the association's constitution, allowing one more board of directors' seat.

The amendment was adopted last month to honor A. R. Oliver, a former association president

and vice president of the Canadian Association of Purchasing Agents.

## Will County P.A.'s Elect McPartlin President

**Joliet, Ill.**—Purchasing Agents of Will County have named Arthur R. McPartlin, Phillips Control Corp., P.A., as president of their association.

McPartlin has been Phillips P.A. since 1955. He joined the firm in 1951.

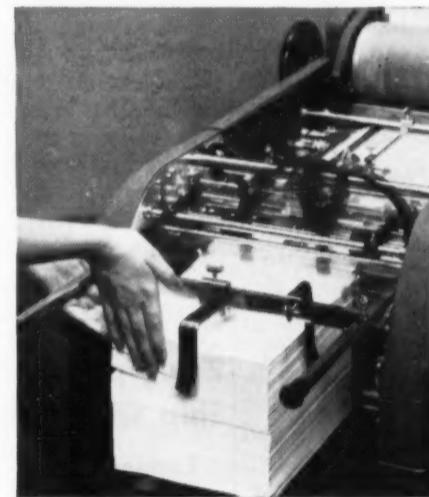
The association members represent all major industries in Joliet and Will Counties.



ARTHUR R. MCPARTLIN



FOR DUPLICATING—Hammermill Graphicopy Papers offer a complete selection for all duplicating equipment.



FOR PRINTING—Accurately cut 8 1/2 x 11 and 8 1/2 x 14 sizes, plus freedom from curl, assure trouble-free operation.



FOR OFFICE USE—New line includes 181 different items in 19 grades, available in weights, finishes, colors you need.

# ANNOUNCING NEW HAMMERMILL GRAPHICOPY® PAPERS FOR EVERYBODY WHO USES 8 1/2 x 11 PAPER

Hammermill Graphicopy Papers—the new idea that makes it easy to buy, store and use the right paper for every job—are now available from your Hammermill supplier.

Each of the 181 items in the Hammermill Graphicopy line is individually numbered to make ordering easier. All you do is consult the handy "Paper Selection Guide", choose the paper you want, then pick up the phone and order by number.

Be sure you get well-known Hammermill quality plus the convenience of ordering all your 8 1/2 x 11 and 8 1/2 x 14 papers from one source. Ask your Hammermill supplier for the "Paper Selection Guide" wall chart, or write: Hammermill Paper Company, 1479 East Lake Road, Erie 6, Pa.

**HANDY PAPER SELECTION GUIDE**—Makes it easy to order the right paper. Ask your Hammermill supplier for your copy of this time saver.



**E-Z CARRY PAK\***—Makes it a snap to remove Graphicopy Papers from the new Hammermill E-Z Paper Pak Carton\*, the easy-to-open carton. \* Patent Pending

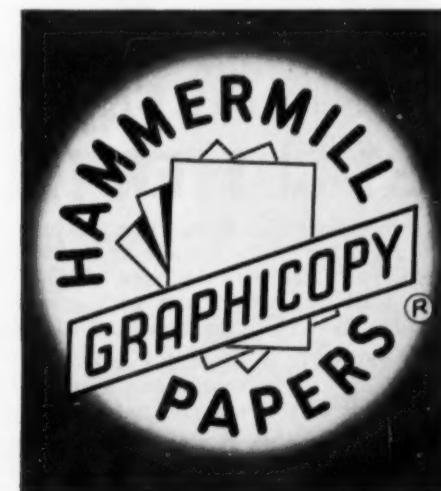


### HAMMERMILL GRAPHICOPY PAPERS INCLUDE:

Hammermill Bond • Cockletone Bond • Management Bond • Whippet Bond • Hammermill Mimeo-Bond • Whippet Mimeograph • Hammermill Duplicator • Whippet Duplicator • Hammermill Double Purpose Master Paper • Hammermill Offset Wove • Hammermill Offset Vellum • Hammermill Offset Super-Smooth • Glossette Coated Offset • Deepak Offset • Hammermill Opaque • Hammermill Cover • Hammermill Index • Hammermill Translucent • Hammermill Braille

### ALWAYS LOOK FOR THIS TRADEMARK

—Hammermill Graphicopy Papers, the new easy way to get the right paper for every printing, duplicating and office use.



## British May Use T.V. for U.S. Ads

London—T.V. spectacles on American networks may be used to plug British goods in the United States.

That suggestion was made and seconded at a recent meeting of the British Dollar Exports Council. Some 400 top British executives assembled at Eastbourne to consider how to step up Britain's sales to the U. S. (already Britain's largest customer) as well as Canada and other dollar-area countries.

Harder selling and a closer study of American needs were the main themes of the meeting. The T. V. spectacular idea was one of several proposed schemes to sell the American consumer.

Another suggestion announced as definitely scheduled for June 1960 is a British exposition in New York's Coliseum. The exhibition will be the first all-British show ever held in the United States. It will combine a "prestige display" organized by the British Board of Trade plus a wide range of manufacturers' exhibits.

## West Germans Got 30% Of Pool's Steel Orders

Bonn—Western German manufacturers won nearly 30% of the total steel orders received last year by the European Coal and Steel Pool.

During the period, German exports of rolling mill products to non-pool countries rose sharply to a high of 328,000 tons monthly compared with a 170,000 ton average maintained previously. The large quantities of rolled products ordered by South American and Asian buyers were said to have been responsible for the sudden rise in German exports between last July and September.

Repeat orders have not yet been made. In line with this rolling mill product prices have

dipped sharply in Germany. Some producers assert prices have almost reached the cost level.

For example, ship building plate which cost about \$200 a ton last year now fetches only about \$110. Belgium also is giving strong competition, according to German sources with similar plate at \$108 a ton.

## E.M.I. Electronics Aims For Canadian Markets

London—Following its invasion of U. S. markets, E.M.I. Electronics, Ltd., British electronics giant, has joined forces with another British firm, A.C. Cossor, Ltd., for a push into Canada. Plans call for the expansion of Cossor's Canadian subsidiary which has produced defense equipment for the past 10 years.

E.M.I., which has the controlling interest in the new firm, recently announced its entry into the United States with a nationwide sales and service organization.

## British Steel Production Running 16% Below '57

London—British Iron and Steel Board reports steel production is running about 16% below 1957. It attributes the decrease to consumers using and stocking less.

The board estimates that consumers have cut stocks by about 6% in 1958. November output was at a weekly average of 351,900 tons, compared with 363,500 tons in October and 429,200 tons in November, 1957.

## Cabot to Build in Italy

Milan, Italy—Cabot Laboratories, Boston, Mass., will construct a plant in Italy for production of rubber goods through its affiliate, Societa Cabot Italiana. Construction will begin within the year with production scheduled in about two years.

## Red Chinese Up Chemical Exports

Beirut, Lebanon—Communist Chinese exports of heavy chemicals to Lebanon and the Syrian region of the United Arab Republic have registered a big increase. The trend is expected to continue in 1959.

In bargain-hunting Levant states, price is the biggest incentive for importing Red Chinese chemicals. Prices are 15 to 20% below Western world prices and up to 30% lower in some items, like pigments.

Syria is now importing caustic soda, sodium sulfide, and sodium sulfate. Lebanon's imports are sodium sulfide, soda ash, zinc oxide, pigments and nitrate fertilizers.

Syrian and Lebanese industries using Chinese chemicals so far have made no complaints as to quality. One Beirut dealer, who also imports West German chemicals, claimed the Chinese chemicals he had supplied to Lebanese factories were cheaper and better quality than Russian imports and quite as good as German chemicals.

## 2 European Automakers Ship Spare Parts by Air

London—Two European automakers are using air freight to ship automobiles and spare parts overseas. Vauxhall Motors, Ltd., of Britain and Renault, a French concern, believe cost of their air shipments will be competitive with sea freight.

Vauxhall uses one Bristol freighter aircraft a day to ship three automobiles and 4,000 lb. of spare parts to Northern Ireland. The firm's goal is to have all 1959 Northern Ireland deliveries made by air.

Renault, which transports its fast-selling Dauphines to the United States by a fleet of six specially equipped ships, is using planes for spare parts. In addition to cutting delivery time from nine to one week Renault expects to shave a little off shipping costs. The higher cost of air freight is offset by reduced handling and packaging cost and elimination of middleman shippers, Renault says.

## Canadian Car to Close Ft. William Plant Soon

Montreal—Canadian Car Co.'s Fort William plant will be closed when facilities have been moved to the firm's headquarters here.

The Fort William plant, an automotive and aircraft facility, will cease operations before June. Can-Car has its head office and main railroad equipment plant in Montreal.

Can-Car President Stephen G. Harwood said "an extensive study of the company's operations was made in recent months following advice from the government that the Fort William facilities would not be required for production of aircraft. This study established that consolidation of the company's commercial operations nearer its markets is essential if we are to maintain a competitive position for our products."

This Week's

# Foreign Perspective

JAN. 12-18

Paris—Coal and steel output in Western Europe during 1958 dropped slightly from the previous year.

Estimates released by the Coal and Steel Authority, which groups the six common market nations of Western Europe, showed a dip in coal production of 0.6% for the year and a drop of 3.2% in steel output.

While over-all coal and steel production figures for the Community showed a decline, two members—France and the Netherlands—reported increases in both categories.

French coal output of 57.8 million tons was up 1.8% while its 1958 steel output of 14.6 million tons was up 3.5%.

West Germany, the Community's biggest coal and steel producer, mined 148.9 million tons of coal during 1958—a drop of 0.5%. Its steel output of 26.2 million tons was off 6.4%.

The Community's coal output of 246 million tons in 1958 compares with 219 million tons for England, 380 million tons for the United States, and 350 million tons for Russia.

The Community's steel output of 58 million tons compares with 20 million tons for the United Kingdom, 74 million tons for the United States and 55 million tons for the Soviet Union.

These Community estimates for coal and steel output in the major industrial centers of the world show that only the Soviet Union reported increased output in 1958.

Soviet coal production was up 7.7%, its steel output about 8%.

London—Dip in copper prices, following the Board of Trade's decision to jettison the remaining 30,000 tons of red metal still in stockpile, hardly came as a surprise here.

From a dealer point of view the move is welcome. It removes the uncertainty as to when the Board would dump.

As to price, experts believe government selling will swell the quantity of copper coming on the near-term market.

On that showing there's little chance of any price hike. You can expect prices to stay pretty much where they are.

Commodity men are also keeping a close eye on lead and zinc. Reason: the Government still has considerable stocks of these metals to dispose of—maybe in the near future.

Tokyo—The Japanese will wage a strong campaign to ease trade restrictions when the General Agreement on Tariffs and Trade (GATT) meets in Tokyo next October.

Tokyo officials believe they have a chance to talk two of their formerly more bitter trading opponents (the Australians and the New Zealanders) into giving up the application of Article 35 to Japanese exports. Article 35 permits a GATT member to invoke special provisions to protect its domestic industry from the threat of foreign imports.

Even Britain now is reported ready to relent. This is important because it was England who championed Article 35 as a compromise condition for letting Japan join GATT.

Japan will also ask the Benelux powers, Haiti, Malaya, Austria, Rhodesia, France, the Union of South Africa, Cuba, and Ghana to remove the restricting Article.

Belgrade—Despite recent cut-off in Soviet aid, Yugoslavian production continues to rack up impressive gains.

Incomplete 1958 reports indicate industrial output is up some 12% above year-ago levels.

Development in the various industries, however, differs widely. Increases in most industries amount to less than 10%.

But they were offset by unusual production increases in three major areas: tobacco industry (up 63%), electrical industry (up 24%), and electrical power production (up 24%).

Buenos Aires—Sharply declining meat stocks have created a serious problem affecting both consumers and national finance.

On the one hand, Argentinians insist on their daily beefsteak (Per capita consumption of meat here tops all nations.)

On the other hand, exports of meat provide Argentina's biggest source of foreign exchange—and any reduction can have important repercussions on the general economy.

To placate all, a compromise solution has been effected.

For consumers—a 30% cut. But that will still leave 160 lb. of meat per person annually—still the world's record.

For export—the Argentine National Meat Board has decided to make cuts on shipments to England. (Almost all meat exports go to England.) First half 1959 meat quotas to the British Isles have been reduced by about 35%.

With British money reserves high, England may up demand from other meat-producing countries.

## HOW TO DO THE DIFFICULT



Have happier workers and a happier boss both achieved by use of **FAIRBANKS COST-CUTTER TRUCKS!**

Just think of trucks as tools. Then you instantly recognize that the right trucks must make lighter work of materials handling. Your men with the right tool—the right truck—do more with less effort and with greater safety. You realize surprisingly large time and cost savings.

**YOURS ON REQUEST:** Big colorful catalog, #T-54, describes most complete line of trucks and applications. Write for your free copy of this valuable catalog today.

**THE FAIRBANKS COMPANY**

Executive Office—393 Lafayette St., N. Y. 3, N. Y. • Branches—520 Atlantic Ave., Boston 10, Mass. • 393 Lafayette St., N. Y. 3, N. Y. • 15 Stanwix St., Pittsburgh 22, Pa. • 202 Division St., Rome, Ga. • Factories—Rome, Georgia and Binghamton, N. Y.

# Meetings You May Want to Attend

## First Listing

**Central Florida Purchasing Conference**—Langford Hotel, Winter Park, Fla., Jan. 16-17.

**California State, County and Municipal Purchasing Agents' Association**—42nd Annual Conference, Claremont Hotel, Berkeley, Calif., Jan. 28-30.

**National Canners Association and Canning Machinery and Suppliers Association**—Joint Annual Convention and Exposition, Conrad Hilton Hotel, Chicago, Feb. 20-23.

**American Society of Mechanical Engineers**—Gas Turbine Power Conference and Exhibit, Netherlands-Hilton Hotel, Cincinnati, March 1-5.

**American Management Association**—National Packaging Exposition, International Amphitheatre, Chicago, April 13-17.

**29th Annual Safety Convention and Exposition**—Hotel Statler, New York, April 13-17.

**American Society of Tool Engineers**—Annual Meeting, Schroeder Hotel, Milwaukee, April 18-22.

**American Steel Warehouse Association**—50th Annual Convention, Drake Hotel, Chicago, May 3-6.

**National Office Management Association**—Office Machinery & Equipment Exposition, Municipal Auditorium, New Orleans, May 25-28.

**Canadian Association of Purchasing Agents**—34th Annual Conference, Banff, Alberta, June 5-7.

## Previously Listed

1959

### JANUARY

**American Management Association**—Advanced Workshop on Management of the Purchasing Department, Hotel Astor, New York, Jan. 12-14.

**Society of Automotive Engineers**—Annual Meet-

ing and Engineering Display, The Sheraton-Cadillac and Statler Hotels, Detroit, Jan. 12-16.

**Institute of Surplus Dealers**—9th Annual Trade Show and Convention, New York Trade Show Building, New York, Jan. 25-28.

**10th Plant Maintenance & Engineering Show**—Public Auditorium, Cleveland, Jan. 26-29.

**American Society of Heating and Air-Conditioning Engineers**—65th Annual Meeting and 14th International Heating and Air-Conditioning Exposition, Philadelphia, Jan. 26-30.

**Newspaper Purchasing Executives Group**—2nd Annual Conference, Sheraton Hotel, Chicago, Jan. 30-31.

**National Automobile Dealers Equipment Exhibition**—Conrad Hilton Hotel, Chicago, Jan. 31-Feb. 4.

### FEBRUARY

**Materials Handling in Canadian Industry Exposition**—The Automotive Building, Exhibition Park, Toronto, Feb. 2-6.

**Society of the Plastics Industry**—14th Annual Technical and Management Conference, Reinforced Plastics Division, Edgewater Beach Hotel, Chicago, Feb. 3-5.

**Public Utility Buyers Group, N.A.P.A.**—Chase Park Plaza Hotels, St. Louis, Mo., Feb. 8-9.

**University of Wisconsin, Management Institute**—Purchasing Workshop (Purchasing Techniques), Madison, Wis., Feb. 10-12.

**Purchasing Agents Association of Alabama**—Annual Seller-Buyer Dinner, Dinkler-Tutwiler Hotel, Birmingham, Feb. 12.

**American Management Association**—Workshop Seminar, (two sessions), Organization and Management of the Purchasing Department, Hotel Astor, New York, Feb. 9-11 and March 18-20.

**Purchasing Agents Association of St. Louis**—St. Louis Products Display, Sheraton-Jefferson Hotel, St. Louis, Feb. 12-13.

**Purchasing Agents Association of Chicago**—25th Annual Products Show, Morrison Hotel, Chicago, Feb. 17-19.

### MARCH

**The Lighting, Lamps and Electrical Manufacturers Salesmen's Association**—2nd National Lighting Exposition, Coliseum, New York, March 1-4.

**Los Angeles Chamber of Commerce**—2nd Western Space Age Conference and Exhibit, Great Western Exhibit Center, Los Angeles, March 5-7.

**American Management Association**—Workshop Seminar, Organization and Management of the Purchasing Department, La Salle Hotel, Chicago, March 16-18.

**American Society of Metals**—11th Western Metal Exposition and Congress, Pan-Pacific Auditorium and Ambassador Hotel, Los Angeles, March 16-20.

**Purchasing Agents Association of Indianapolis**—1959 Indiana Industrial Show, Manufacturers Building, State Fair Ground, Indianapolis, March 18-20.

### APRIL

**1959 Nuclear Congress**—Public Auditorium, Cleveland, April 5-10.

**American Welding Society**—40th Convention and

Exposition, Hotel Sherman and International Amphitheatre, Chicago, April 6-10.

### MAY

**Triple Industrial Supply Convention**—Dallas, May 13-15.

**International Petroleum Exposition and Congress**—Tulsa, May 15-24.

### List Your Meetings

Associations, societies, and committees interested in calling the attention of readers of Purchasing Week to their meetings are welcome to use this column. The gathering should be one of interest to purchasing agents. There is no charge.

Send announcements to: Meetings Calendar, Purchasing Week, 330 West 42nd Street, New York 36, N. Y.



...now they're  
**WASHED!**

Quality-conscious production methods call for modern materials . . . even down to your nut-and-bolt assemblies. Now you can buy Milwaukee WASHED WASHERS to promote cleaner workmanship, cleaner product-assembly, and upgrade the morale of production workers through a thoughtful regard for personal cleanliness.

Today, all popular sizes of Milwaukee U. S. Standard and S.A.E. Washers, Rivet Burrs and Machinery Bushings are *washed* by a special process that removes all oil, graphite or other grime. In addition, this *Milwaukee Wrot Washer washing process includes rust resistant treatment*.

Since the introduction of this improved processing of Milwaukee Wrot Washers, Industry has responded with a most enthusiastic vote of approval. Many production orders specify "WASHED WASHERS" . . . but whether you specify "Washed" or not, that's the way they are supplied . . . clean washers for clean workmanship and clean workers . . . to match your highest production standards.

Specify "Milwaukee Wrot Washers" for better Quality Control.

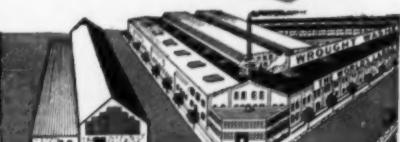
### Modern Packaging for Easier Identification . . .

In keeping with a policy of "dressing up" the washers themselves, by our special washing process, they are now put up in convenient, attractive 1-lb. and 5-lb. packages for easier identification and handling.

Your No. 1 Source for Quality Washers

**WROUGHT WASHER MANUFACTURING CO.**  
The World's Largest Producer of Washers

2111 S. BAY ST., MILWAUKEE 7, WIS.



A8-9516-A



# Purchasing Week

330 West 42nd St., New York 36, N. Y.

McGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING

Vol. 2, No. 2

January 12, 1959

Print Order This Issue 26,207

## Be Interested in Everything

We were asked an interesting question the other day. It was asked by an advertising friend of ours who wanted to know:

What interests purchasing executives today?

An immediate answer, even though it might sound facetious, would be "everything." Actually, such an answer would not be facetious. The purchasing agent of today—the purchasing agent who is interested in more than the placing of today's orders—has to be interested in everything that is going on around him.

He must know what the engineers in the design department are planning. He must know what people in production are doing. He must know everything that will affect availability, price, delivery, quality of products. He must know all of these things about products he is buying not only today, but those he plans to purchase in the coming year.

Our advertising friend probably would have enjoyed hearing a purchasing agent who attended the recent Michigan State University seminar conducted by Dr. John Hoagland. This purchasing agent returned to his job with a completely changed viewpoint. As he phrased it:

"Before I went to the seminar I was fairly disgusted with my job. I thought it was a dead-ending job, and one that no longer held interest for me. After hearing both the instructors and other P.A.'s who attended the seminar, I came to realize that I had adopted a very short sighted viewpoint. Instead of the job dead-ending, I myself was dead-ending. Since returning I have gone through our engineering and production departments and seen things I never noticed before. I saw operations on which I could offer suggestions. And the reason I could offer suggestions was because my eyes had been opened to more than just today's requisitions."

The purchasing agent went on to say that he had an entirely different attitude about his job and that he felt sure that being interested in more things was making him a more interesting person from both the business and the social standpoint.

Of course, this does not answer the basic question of what interests purchasing executives today. As a purchasing man you know that your interests change constantly. Today your major interest may be in shipping costs while tomorrow inventory control or expediting might be your number one interest.

To really be successful in the field of purchasing a man must have broad vision.

How is your vision today?

## May 'All Time' Highs Be Far Away

This is the season of the year when we read about "all time" records. Business will soon reach an "all time" high. The Blank Co. reported an "all time" high in profits.

Frankly, we don't believe any of these were "all time" highs. We believe in American industry. If we have already reached our "all time" highs, there is no progress ahead. "All time" is a good expression to forget. The one to remember is "record." We see many more records ahead in our economy.

### Purchasing Week Staff

Publisher: Charles S. Mill

Editor: Raymond W. Barnett

Senior Editors: Willis A. Bussard, Joseph A. Cohn, Kenneth K. Kost, Robert S. Reichard, John M. Roach

#### Departments

Copy: Kenneth K. Kost, Nancy Parkes, James P. Morgan

Features: Willis A. Bussard, John D. Baxter, Domenica Mortati

Layout: Leugel Foss, Patrick J. Reese

News: John M. Roach, William G. Borcher, Anthony W. Petrovich

Price: Robert S. Reichard, Fred J. Steinberg

Products: Joseph A. Cohn, William J. Deleaney, Jr.

#### McGraw-Hill Economics Staff

Dexter M. Keezer, DIRECTOR; Theodore C. Boyden; William H. Chertner; Douglas Greenwald; Robert P. Ulin

#### Washington Bureau

George B. Bryant, Jr., CHIEF; Glen Bayless; Donald O. Loomis; Roy L. Calvin; Arthur L. Moore; Anthony DeLeonardis; John C. L. Donaldson

Consulting Editors: George S. Brady, F. Albert Hayes

Circulation Manager: Henry J. Carey

#### McGraw-Hill News Bureaus

John Wilhelm, MANAGER

Atlanta:	Billy E. Barnes
Chicago:	Stewart W. Ramsey
Cleveland:	William G. Meldrum
Dallas:	Kemp Anderson, Jr.
Detroit:	Donald MacDonald
Los Angeles:	John Kearney
San Francisco:	Margaret Ralston
Seattle:	Ray Bloomberg
Beirut:	Onnic M. Marashian
Bonn:	Morrie Helitzer
Caracas:	John Pearson
London:	Robert Gibson
Mexico City:	Peter Weaver
Moscow:	William J. Coughlin
Paris:	Robert E. Farrell
Tokyo:	Sol Sanders

Business Manager: L. W. Nelson

## Your Follow-Up File

### P.A.'s Are Friendly

New York, N. Y.

I would like to comment on a letter from Joseph Lichioveri, purchasing agent for Walker Engraving Corp., that appeared in this column ("P.A.'s Should Be Friends," Dec. 1).

The majority of your readers I am certain will agree that by and large purchasing agents are a friendly lot. Of course, some salesmen may not think so; nonetheless, I feel that to a point this is an important factor in the character makeup of a professional purchasing agent.

I personally have found most purchasing men to be sincere in their efforts to extend aid to a fellow P.A. or buyer when called upon to draw from their own experience to provide the answer to some special problem.

On the subject of becoming acquainted with other purchasing agents I can think of no better way for anyone who is actively engaged in purchasing than to become associated with an organized purchasing group. In such groups you not only have the opportunity to make friends but also benefit time and time again through discussion of individual problems, exchange of ideas, and a chance to voice your own opinions on the problems and procedures of the purchasing function.

J. J. Gianfalla

Assistant Purchasing Agent  
Morrison-Knudsen Co., Inc.

a given form, do-it-yourself printing may not pay off."

Just the reverse is true. On orders less than 20,000 forms, do-it-yourself printing pays off.

George C. Mealy  
Purchasing Agent  
The Manhattan Shirt Co.

### Oil Sludge Our Problem

Chicago, Ill.

In the Nov. 24 issue, page 15, there appeared an article concerning "Additive Helps Eliminate Sludge in Fuel Oil Tanks." We would appreciate learning who the supplier of such an additive is. We are consumers of large amounts of fuel oil and this is one of our problems.

In the July 14 issue, page 22, there appeared a diagram depicting "How Hemlines Call the Turn in Business." We would like permission to reprint this in our company paper along with the caption "As skirts go up, so does business."

J. E. O'Grady  
Purchasing Agent  
Frank M. Whiston & Co.

• The additive is a product of E. I. du Pont de Nemours & Co., Wilmington, Del.—Fuel Oil Additive No. 2 (FOA-2).

You have our permission to reprint.

### One Address Coming Up

Jersey City, N. J.

Will you please send us the home office address of the Service Leasing Corp.

This name appeared in your Dec. 1 issue in an article on page 9, "More Firms Leasing Car, Truck Fleets."

We enjoy reading PURCHASING WEEK and have since it started.

W. T. White  
Purchasing Agent  
Reed & Carnick

• Write to George Culp, executive vice president, Service Leasing Corp., 650 Madison Ave., New York 22, N. Y.

### Extra E.O.Q. Articles Required

Long Branch, N. J.

Will you please send to my attention two copies of the Dec. 1 issue of PURCHASING WEEK in which the article about the use of E. O. Q. in purchasing appeared.

E. Van Pelt  
Purchasing Agent  
Electronic Associates, Inc.

### Printing Error Amended

Paterson, N. J.

Thank you very much for the tear sheets covering "P.A. Can Sell Management on Capital Equipment" (Dec. 22, p. 15).

I would like to call to your attention one error in the write-up, which might result in some question—the item marked #1, which reads, as follows, "The breaking point on a given form is around 20,000. If your print order runs much less than 20,000 on

### To Our Readers

This is your column. Write on any subject you think will interest purchasing executives. While your letters should be signed, if you prefer we'll publish them anonymously.

Send your letters to: "Your Follow-Up File," PURCHASING WEEK, 330 West 42nd St., New York 36, N. Y.

## PURCHASING WEEK Asks You . . .

What is the most difficult part for you in drafting a budget?

**W. W. Frebel**  
The Magnavox Co., Fort Wayne, Ind.

"Drafting of a budget is not difficult; it is complying with the expenditures that is difficult to do on various occasions. 'Short lead time' will result in above-normal purchasing expenditures. Lack of proper specifications results in added purchasing costs as well as additional expediting costs. A purchasing budget actually should be planned on the basis of the amount of paperwork required during a given period of time. Unfortunately, it is extremely difficult to

plan a specific flow of paperwork. As a result we generally consider understaffing as having more advantages than overstaffing.

"Our budgets are prepared semi-annually and in drafting new budgets we also take into consideration previous known expenditures and use a weighted average. Consideration is also given to mechanized purchase order releasing in order to decrease the amount of cost involved."

**J. E. Donahue**  
Allen Electric & Equipment Co.  
Kalamazoo, Mich.

"A maximum degree of accuracy is the optimum goal in forecasting an annual budget. Due to the extreme flexibility in our production schedules it's difficult to forecast accurately in the areas of operating expense, particularly as related to telephone, telegraph, and travel expense. This is further complicated by our purchasing department's processing bids on short notice, costs of which cannot be accurately forecast."



**J. A. Mooney**  
Food Machinery & Chemical Corp.,  
Chemical Divisions, New York

"In my opinion, the most difficult and also the most important part the purchasing organization plays in the drafting of budgets is the prediction of prices to be used. Price perspective involves a careful evaluation of the business activity, labor conditions, inventory position, capital spending, consumer demand, price trends, foreign competition, and finally a little judicious crystal gazing. Selection of sources and scheduling of shipments so as to realize all possible savings in inventories carried are also important but are, I believe, secondary to getting the best prices consistent with reliability of supply."

**W. J. Pierre**  
The Kaydon Engineering Corp.  
Muskegon, Mich.

"Our big problem is not so much in drafting a budget but in helping everyone stay within his. We 'price out' each requisition prior to its being approved for purchasing. This helps the department head or supervisor determine if he can 'afford' the item or if he must defer it to a later date. This involves more work for purchasing, but it pays off for the company in the long run."



**O. D. Southwick**  
National Steel Car Corp., Ltd.  
Hamilton, Ontario

"Forecast of sales undoubtedly represents the most difficult problem. Closest possible cooperation is needed between accounting, engineering, production, purchasing, and sales departments in arriving at a reasonably accurate forecast of prospective business. The ideal situation exists when it is possible to take into account only actual sales orders on the books. We have found satisfactory results are obtainable by preparing each month a budget covering the ensuing six months. Figures can be readily adjusted each month with the result that such a budget is realistic and accurate within a reasonable degree."

**PURCHASING WEEK Asks You**  
Suggest a Question to: 330 W. 42nd Street  
New York 36, N. Y.

WHITNEY BLAKE  
DYNAPRENE®  
PORTABLE  
CORD

DYNAPRENE 2-50 DII8BM

PROTECTS  
YOUR  
REPUTATION

**DYNAPRENE Portable Cord appeals to wise buyers because it is a long-lasting, sturdy cord that stands up under really rugged work conditions.**

**DYNAPRENE is jacketed with an extra tough neoprene compound cured by the continuous vulcanizing process . . . a process that makes better cordage.**

**DYNAPRENE is a premium cord sold at competitive prices by leading electrical wholesalers. Order DYNAPRENE by name to be sure you buy the best.**



Write TODAY  
for this complete  
catalog . . . FREE.

**WHITNEY BLAKE COMPANY**

**NEW HAVEN 14, CONNECTICUT**



# 6

## Ways to Lick the Storage

1. **PLAN AHEAD**—Estimate storage needs for ten years and take a complete inventory.
2. **MOVE IT FAST**—Fast material handling methods can reduce total storage costs.
3. **BE FLEXIBLE**—Specialized storage facilities often lead to lost space in future.
4. **STAY UP-TO-DATE**—Storage facilities should be as up-to-date as production tools.
5. **MAKE IT VISIBLE**—"Hunting" is lost time, extra cost in order-filling in storage.
6. **HAVE IT HANDY**—It's faster to S-turn in aisles than to backtrack in store rooms.



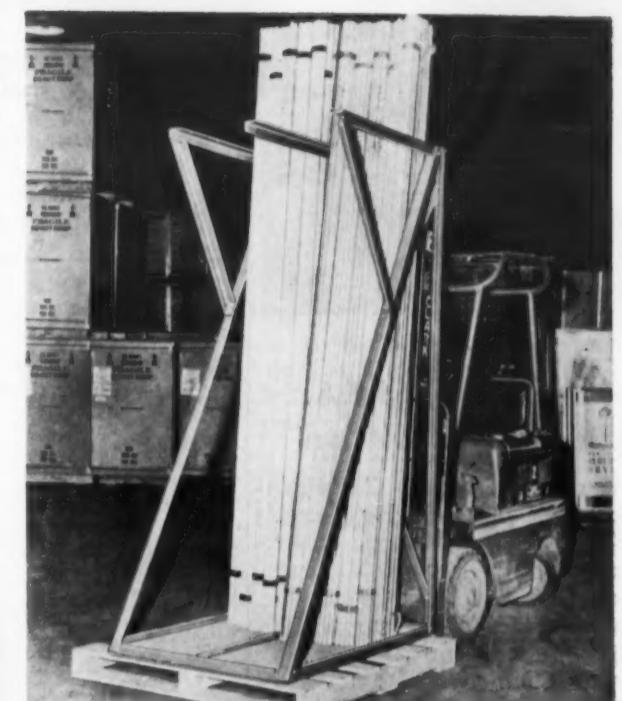
# headache



← **1. PLAN AHEAD** is step one in battle to lick storage headache. Rule applies to all materials storage: raw, in-process, and finished. Scale model of plant here was two years in planning, paid off in sped-up order handling, and reductions in number of errors.



→ **2. MOVE IT FAST** is advice of storage engineers. In this case, conduit racks bolted to pallets allow speedy movement of material in receiving and shipping. Method speeds storage-to-production cycle.



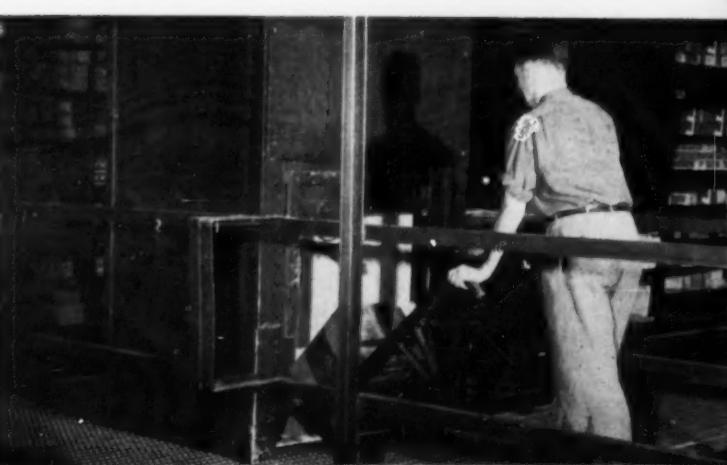
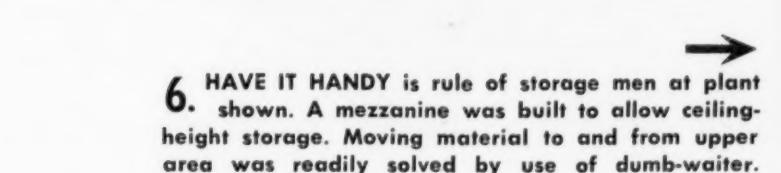
← **3. BE FLEXIBLE** to assure adequate storage capacity for future expansion and changes in materials handled. Bin size here is easily changed by moving the steel bars which fit into notched stanchions and also form the movable bottoms of the storage bins.



→ **4. STAY UP-TO-DATE** is maxim in storage field. More management attention is noted in storage cost reductions. New storage "wall" here comes to life at touch of button. Electrically operated carrier moves up, down, sideways to handle materials.



← **5. MAKE IT VISIBLE** is simple statement of a big storage aid. Here, a cable manufacturer easily provided instant product identification by soldering paper clips to broom clips. Latter slip over reel edge and hold name tags in an upright and visible position.



# This Changing Purchasing Profession . . .



S. B. LAND

## S. B. Land Named P.A. In Dept. Consolidation

**Portland, Ore.**—Consolidation of Georgia-Pacific Corp.'s Toledo, Ore., purchasing department with that of Georgia-Pacific Paper Co. has resulted in the appointment of Stephen B. Land as purchasing agent. Frank E. Hoffman becomes assistant purchasing agent and Elizabeth Ann Hayden will serve as buyer and inventory control supervisor.

Land had been with the Toledo division for nearly three years. Hoffman has had seven years experience in purchasing, coming from Springfield Plywood Corp., a Georgia-Pacific subsidiary, in 1957. Miss Hayden joined the C. D. Johnson Lumber Co., Toledo, in 1950 and remained when the firm was purchased by Georgia-Pacific.



J. C. ROBERTS

## Roberts New President Of Firestone Subsidiary

**Akron, Ohio**—J. C. Roberts has been appointed president of the Firestone Synthetic Rubber & Latex Co. He will continue as

## Obituaries

### F. A. Haas

**North Baltimore, Ohio**—Frederick A. Haas, 59, former buyer in the purchasing department of Willys Motors, Inc., died in Toledo Dec. 12. He had been with the firm about 20 years before his retirement.

### C. V. Chapin

**Bristol, Conn.**—C. V. Chapin, purchasing agent for the Bristol Brass Corp., died Dec. 13.

director of rubber purchases for the Firestone Tire & Rubber Co., the parent firm.

Roberts was a member of Firestone Tire's first college training class in 1924. He became director of rubber purchases in 1940.

### Sloan Promoted to V.P.

**Youngstown, Ohio**—James D. Sloan has been elected vice president, purchasing, by Youngstown Sheet & Tube Co.

He joined the company in 1929 as a clerk in the merchant mill. Sloan became purchasing agent in 1945 and in 1956 he assumed supervision of all the purchasing department's activities.

**Edmund A. Schreiber** has joined the **Helipot Division, Beckman Instruments, Inc.**, South Pasadena, Calif., as purchasing agent. He succeeds Harlan E. Eastman, newly appointed corporate purchasing administrator for Beckman. Schreiber

had been purchasing manager for **Century Engineers**, Burbank, Calif.

**Charles W. Rogers** has been transferred by **Pacific Power & Light Co.** to the firm's general office purchasing staff in Portland, Ore. Since 1946 he had been at Casper, Wyo., as Wyoming division purchasing agent for the utility company.

**E. Way Clarke**, purchasing agent for **Knowton Brothers**,

Watertown, N. Y., since 1941, has been elected a vice president. With the firm 45 years, Clarke will continue his duties as purchasing agent and production manager.

**Ralph R. Falkner** succeeds H. F. Warren as purchasing agent of the Bessemer, Ala., plant of **Pullman-Standard Car Mfg. Co.** Warren retired after 42 years service. Falkner had been assistant purchasing agent at the plant the last 12 years.

# O-B VALVES

easy gate valve maintenance starts here . . .



## Pretty Peggy Williams Purchases All the Technical Equipment for Otis

Purchasing highly technical equipment can be accomplished by a capable though non-technically trained buyer. And being a pretty young woman is no hindrance either.

Mrs. Peggy Williams has been purchasing agent for the past three years for Otis Engineering Corp. in Dallas and heads a department of four. She does all the buying for this 30-year-old firm, whose purchases have multiplied by five in the last eight years.

Otis Engineering is a fast-growing oil tool manufacturing and wire line service with 20 branch offices in the U.S., and six outside. It manufactures and markets special sub-surface controls for oil and gas wells. It also operates the largest fleet of specialized wire line service units in the oil industry—a \$600,000 investment in trucks and equipment.

### Mrs. Williams Only 26 Years Old

Twenty-six-year-old Mrs. Williams is responsible for all purchases, except for emergency field expenditures and some for sales and services. Her work is so specialized that even a trained engineer would have to rely on the research and staff engineers in procurement.

As Jim Bostock, chief design engineer told PURCHASING WEEK, "When Peggy runs across something that stumps her, she doesn't hesitate to call on the engineering department for help." L. M. Wilhoit, engineering manager, further endorses Mrs. Williams' handling of this highly technical purchasing job. "She has picked up a lot of technical knowledge with her experience here, and she works diligently at her job."

### Started with Otis as a Secretary

Peggy Williams started with the oil industry firm seven years ago. She had no technical training, only a high school education plus some secretarial schooling. Working for another oilfield equipment company started her technical education. When she came with Otis Engineering seven years ago, she started as secretary to the purchasing agent.

"Lee Darley, the P.A. at Otis, was very



HEADING the purchasing department of four, Peggy Williams specializes in steel, castings, and raw materials for Otis Engineering Corp., a Dallas manufacturer.

good in purchasing and took the time to train me. He helped me work out any problems that came up," related Peggy Williams.

This training paid off, for three years later, she was made buyer. Then two years ago, after the purchasing agent resigned, she was offered the job as company P.A., and took it.

Purchasing previously had been handled by a staff under the direction of Herbert Otis, first vice president in charge of manufacturing. But with Mrs. Williams' appointment, purchasing was set up as a separate department, though it still reports to Mr. Otis.

Mrs. Williams specializes in steel, castings and raw materials. Her buyer, Elvin Appleby, handles purchases of shop tools and equipment, and office supplies.

The company's purchases are so specialized that about 50% are special items made to order, usually limited to one vendor. Mrs. Williams works closely with the four engineers in the research and development department and the ten engineers in engineering in selecting vendors for these items. But she controls vendors for all other purchases.

What problems have arisen in having a non-technical buyer in such a highly specialized field? L. M. Wilhoit, engineering manager, says: "We may spend a little more time working up specifications than we would if we had a technical buyer—but not much. And Mrs. Williams can stand on her own in buying supplies like steel and other raw materials."

Mrs. Williams believes in the open door policy for vendors if the engineers want to see the salesman. She often suggests conferences between salesman and engineer, sitting in on as many of them as is feasible. It is this close collaboration between purchasing and engineering that makes the purchasing of highly specialized equipment at Otis Engineering a success.

## Oregon Checking Cost Of Foreign Fleetcars

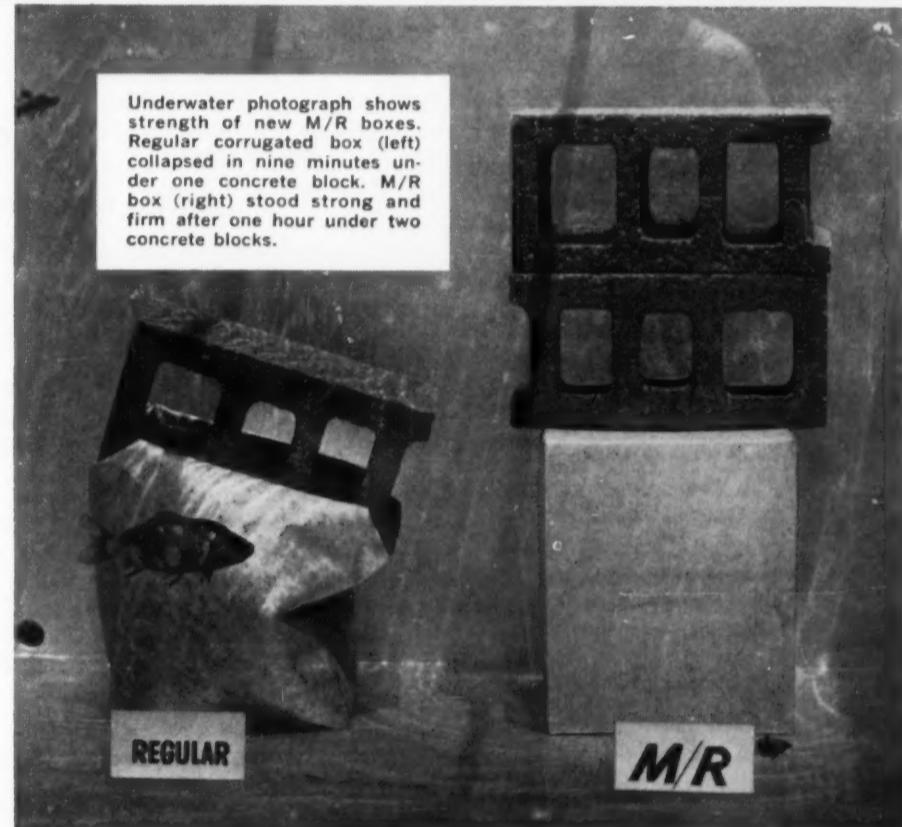
Salem, Ore.—The State of Oregon has purchased two Volkswagens for use in short run transportation in and around Portland. Officials will check on costs and performance.

John F. Richardson, state director of finance and administration, said the state purchasing division was particularly interested in the foreign cars since U. S. manufacturers have discontinued special fleet prices to governmental divisions.

## I.C.C. Urges Speed-Up Of Railroad Mergers

Washington—The Interstate Commerce Commission believes railroads should hurry along in their merger plans. The I.C.C.'s year-end report made its point of view clear.

The I.C.C., in stressing the unnecessary duplication of rail services, emphasized that mergers to date have not gone much further than the study stage.



## New M/R Corrugated Boxes

stay strong when wet...even under water!

Important news about Hinde & Dauch's new M/R (moisture resistant) corrugated boxes: Hydrocooler tests show M/R boxes shed water; stay strong and durable for packing and shipping all kinds of wet products. Moreover, M/R boxes stack high and straight. They save packing and handling time, provide remarkable product protection. Initial tests indicate shipping damage to peaches reduced 50%. And the smooth, clean surfaces of new M/R boxes can be colorfully printed with your brand message. H & D Package Engineers are ready to design an M/R corrugated box for your product. Write, wire or phone for complete information today!

**HINDE & DAUCH**

Division of West Virginia Pulp and Paper Company

AUTHORITY ON PACKAGING • SANDUSKY, OHIO  
15 FACTORIES • 42 SALES OFFICES

HINDE & DAUCH Division of West Virginia Pulp and Paper Company  
5814 Decatur Street, Sandusky, Ohio

Please rush me samples and detailed literature on new M/R corrugated board.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Zone \_\_\_\_\_ State \_\_\_\_\_



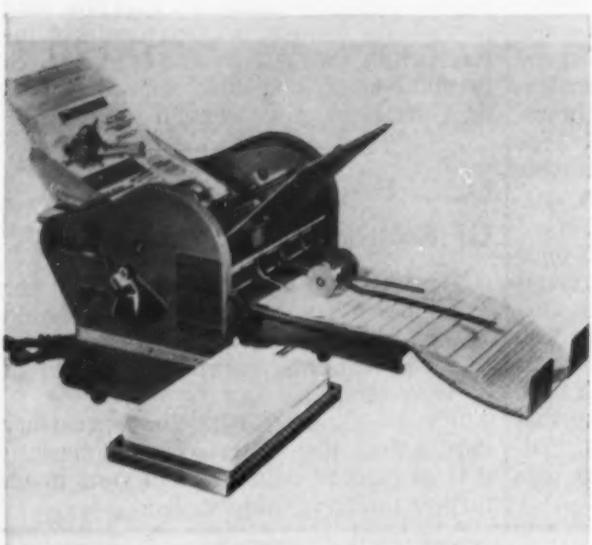
**"EVERYTHING HINGES ON HAGER!"**

We'll make **IT** for you! For standard (5,000 different types and sizes) or special hinges, write or wire: C. Hager & Sons Hinge Mfg. Co., 13310 Victor Street, St. Louis 4, Mo. In Canada, Hager Hinge Canada Ltd., Kitchener, Ont.

Founded 1849, Every Hager Hinge Swings on 100 Years of Experience



## Here's your weekly guide to . . .



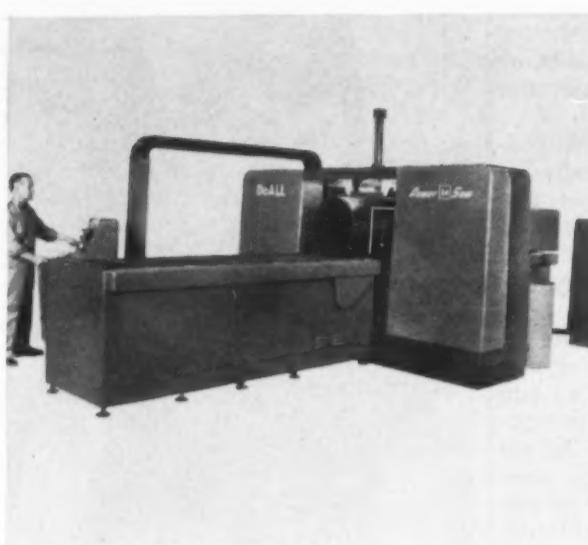
### Small Folder

#### Works Automatically

Model Master 1178A is a small, fast folder which automatically feeds, folds, and delivers sheets up to 9x14 in. at up to 7,200 pieces per hr. Single lever sets up machine to feed any thickness from 12 to 100 lb. stock and up to 5 stapled sheets.

Price: \$299 (standard unit), \$199 (light duty unit). Delivery: immediate.

**Challenge Machinery Co., Grand Haven, Mich. (P.W., 1/12/59)**



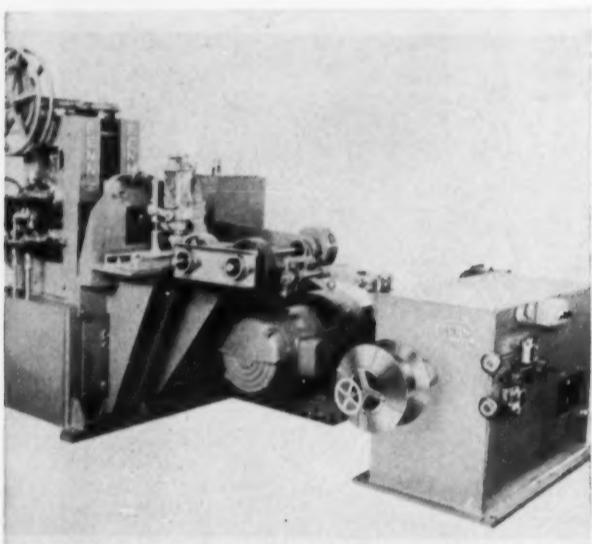
### Power Saw

#### Sizes Structural Steel

Model C-24 is available with a selection of standard work handling components. It is for cropping billets for rolling, slicing alloy steel for customers' orders, or sizing long lengths of structural steel for construction fabrication. Cutting head is inverted. Saw handles 24x24-in. work.

Price: from \$37,500. Delivery: 8 mo.

**DoALL Co., Des Plaines, Ill. (P.W., 1/12/59)**



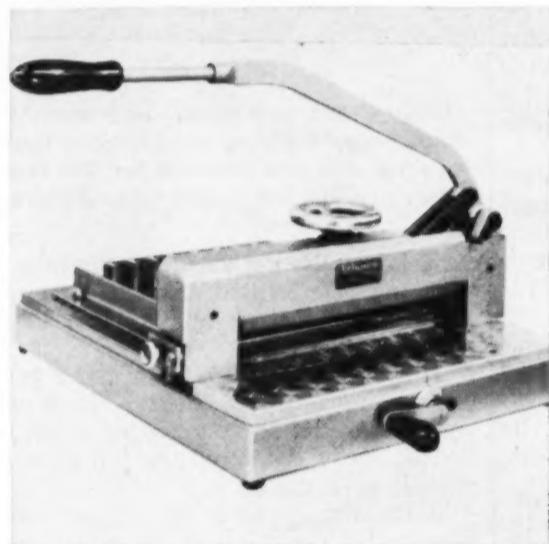
### Wire Line

#### Draws, Winds Wire

Compact 5-in-1 wire line draws, flattens, edges, sizes, shapes, electronically gages, and accurately coils the finished product in traverse wound bundles. Line operates from a single infinitely variable speed, ac. motor with simple electric drive. Line draws entire wire to accurate size through carbide dies.

Price: under \$35,000. Delivery: in 10 wk.

**Fenn Mfg. Co., Newington, Conn. (P.W., 1/12/59)**



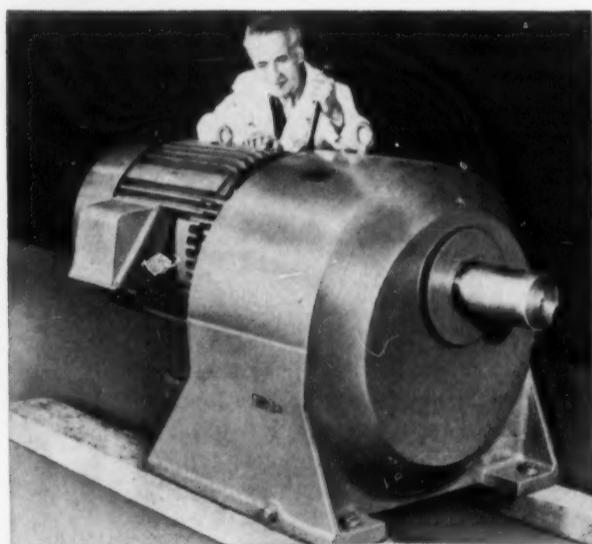
### Paper Cutter

#### Has Measuring Device

Triumph manual paper cutter has added a front wheel as a convenient calibrator for precision cutting. Model comes in 14 and 18 in. sizes. Additional wheel calibrated to  $\frac{1}{2}$  of an inch moves the back gages forward and backward. Triumph offers portability, simple operation with precision accuracy, and sturdiness.

Price: from \$269. Delivery: immediate.

**Michael Lith Sales Corp., 143 W. 45th St., N. Y. 36, N. Y. (P.W., 1/12/59)**



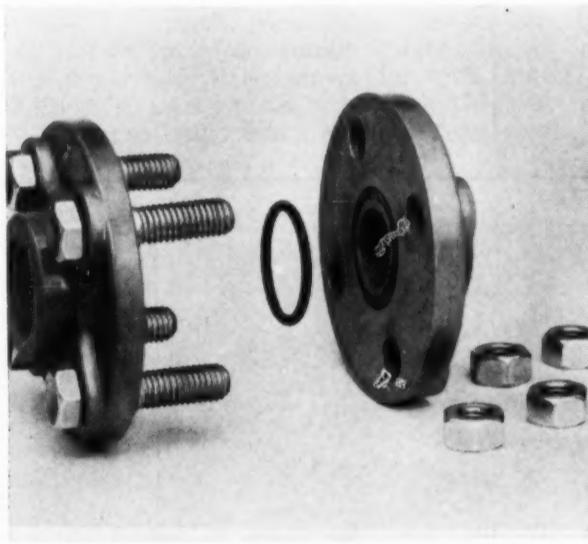
### Gearmotors

#### Large Size

GearMotoR drives are rated up to 200 hp. They feature high efficiencies of 94 to 97%, depending on the number of reductions incorporated. Double, triple, and quadruple reductions are available in ratios ranging up to 440:1.

Price: \$1,800 to \$3,000 (depending on size and ratio). Delivery: immediate.

**Philadelphia Gear Corp., 3620 G. St., Philadelphia 34, Pa. (P.W., 1/12/59)**



### PVC Flange Union

#### Leak-Proof Joint

Rigid polyvinyl chloride (PVC) union assembly has an O-ring seal. Assembly consists of a plain face flange, an O-ring grooved flange with a Hycar O-ring, and four nuts and bolts. Fasteners are cadmium plated as protection against rust and corrosive atmospheric fumes.

Price: from \$3.93 to \$42.96. Delivery: immediate.

**Walworth Co., 750 Third Ave., N. Y., N. Y. (P.W., 1/12/59)**



### Hand Finishing Tool

#### Finishes Radii

Abrasive belt radii-finishing hand tool turns at about 4,000 surface ft. per min. driven by an air motor running at 17,000 rpm. Device weighs slightly more than 1 lb. without the small air grinder motor. The three usable sides of the hand tool are: the "nose" which is adjustable for long or small radii, the long side used for larger radii and convex surfaces, and the top used for flat work. Tool is portable and lightweight for easy overhead use in polishing large dies in the presses.

Price: \$32 (complete). Delivery: immediate.

**Peterson Tool & Mfg. Corp., Box 513, Okemos, Mich. (P.W., 1/12/59)**



### Drum Attachment

#### For Bulk Storage of Drums

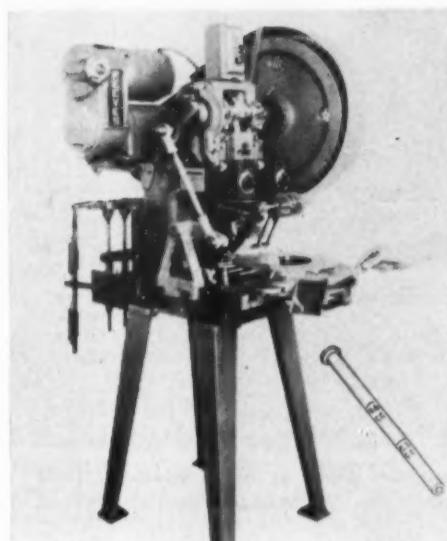
Liftomatic drum handling attachment is a mechanical unit designed to engage, transport, place, and tier any conventional-type drum without the use of pallets or dunnage. It can be used interchangeably with its line of electric fork trucks.

Price: \$380 (unit to handle one drum), \$760 (for two drums). Delivery: about 2 wk. (attachment only). 4 to 6 wk. (trucks plus attachment).

**Lewis-Shepard Products, Inc., 125 Walnut St., Watertown 72, Mass. (P.W., 1/12/59)**

# New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.



## Hot-Stamping Machine

### Two Marking Heads

Standard 2AH hot-stamping machine is driven by a variable speed motor and utilizes an improved dial feeding system. Standard 2AH with dual hot stamping heads, includes individual dwell controls and individual pressure controls for each of the two heads which may be used for marking two separate colors at the same time. Machine is hand fed or automatically fed if parts or products lend themselves to automatic positioning. Push button starts and stops machine.

Price: from \$2,400. Delivery: from 3 wk.

**Acromark Co., 321 Morrell St., Elizabeth, N. J. (P.W., 1/12/59)**



## Power Supply

### For Dc. and Ac. Outputs

RC-Nobatron Rangers combine functions of an autotransformer and filtered rectifier circuit to provide continuously variable dc. and ac. power at other than line voltage. Unit consists of a compact variable autotransformer, rectifier, and filter circuit.

Price: \$475 (cabinet), \$455 (rack) Model RC36-30. Delivery: within 30 days.

**Sorensen & Co., Inc., Richards Ave., So. Norwalk, Conn. (P.W., 1/12/59)**



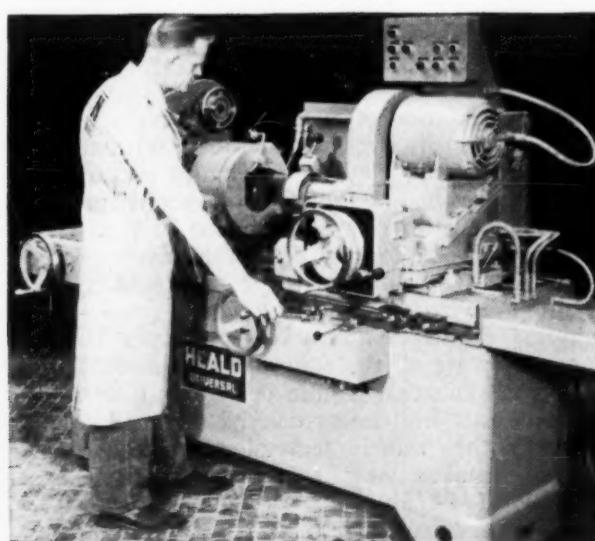
## Hand Tool

### Cuts Clamp Installation

Hand tool is designed to speed wire and tube harness assembly. It secures bolt, while clamp is mechanically closed and locked in place. This frees both hands for attaching nut or for stacking additional clamps into lock position. Misalignment is prevented because proper closure is insured.

Price: \$9.95. Delivery: immediate.

**TA Mfg. Corp., 4607 Alger St., Los Angeles 39, Calif. (P.W., 1/12/59)**



## Grinder

### Holds Close Tolerances

Universal grinder for bore, O. D., and rotary surface grinding is capable of tolerances within 50 millionths roundness. Table and cross slide are supported on pockets of oil without metal-to-metal contact. Building block attachments for special operations are available.

Price: under \$12,000. Delivery: from immediate.

**Heald Machine Co., 5 New Bond St., Worcester 6, Mass. (P.W., 1/12/59)**

## This Week's

# Product Perspective

JANUARY 12-18

Here's a sampling of the current crop of new materials:

- Low-nickel stainless, Armco 22-4-9, stays austenitic (good ductility but not hardenable by heat treatment) in all conditions. Nickel content ranges from 3 to 5%; chromium from 20 to 23%. Alloy is designed for use at temperatures of 900 to 1,600 F. Ultimate tensile strength at 900 F. is 115,000 psi.; at 1,100 F., 96,000 psi. Both ratings based on material solution-treated and aged, and held at the indicated temperatures for 1,000 hr. Suggested applications; high-temperature steam valves and gas turbine parts. (Armco Steel Corp.)

- Soldered titanium joints with strengths better than 40,000 psi. tensile are possible with a new low-temperature solder. Flow point is around 1,300 F., below other titanium solders. It's designed for torch joining with a special flux, but vacuum furnaces or inert-atmosphere furnaces can be used. Solder has a silver base. Flux comes off in a water-acid bath. (Research Div., Curtiss-Wright)

- Greaseless bearings made from fabric impregnated with phenolic resin are expected to find application in the automotive, general machinery, materials handling fields. Bearings need no grease for the life of the bearing. Development joins that of American Metal Products Co. The latter's greaseless bearings are based on woven Teflon. Both types of bearings have been on test by automobile makers in ball-joint suspensions. (Russell Mfg. Co., Union Carbide Plastics Co.)

- Anti-yellowing additive for both thermoplastics and thermosets slow up degradation of plastics products. In pilot-plant production, they are expected to add about 1/2¢ a lb. to the finished-product cost. (American Stearin Co.)

- The old standby pure-white titanium dioxide pigment is now offered in color-tinted varieties. Additions of metallic oxides make the color possible. Combining nickel oxide, for instance, with titanium dioxide provides a light yellow pigment. Added bonus: The nickel boosts the pigment's durability and chemical resistant properties. (Harshaw Chemical Co.)

- New paint formulation protects galvanized surfaces regardless of their condition. Paint is based on red lead, iron oxide, and zinc dust pigments dispersed in an alkyd resin vehicle. (Lead Industries Association)

- Seamless, one-piece aluminum pipe combines thin walls with a standard wall thickness at pipe ends. Less aluminum needed makes pipe more competitive with steel pipe price-wise. Unistrength pipe, in 40-ft. lengths, is currently available in alloys 6063-T6 and 6061-T6 with schedule 40 wall thickness at the ends. Ratio of thick to thin walls provides uniform bursting, tension, and bending strength along the pipe's length. Welded joints are recommended. (Aluminum Company of America)

- Direct plating of chromium on aluminum is possible with a new process. An intermediate coating of nickel, copper, or zinc is not necessary. (Service Hard-Chromium Co.)

- Electrical grade glass-epoxy laminate operates continuously at 300 F. and intermittently above. Flame retardant additive makes the laminate self-extinguishing when it is removed from the flame. Applications: switchgear components, panels and terminal boards, relays. (Continental-Diamond Fibre Corp.)

- Polyethylene coating moistures and grease proofs new corrugated board. Applications include packaging of meat. Tests indicate weight loss of meat through vapor transmission is significantly reduced. The material can also be used to package highly-polished products. The poly coating's low abrasive property prevents scratching of product during shipment. (Mead Containers Inc., U. S. Industrial Chemicals Co.)

• • •

Negative ions may be used to brighten your spirits in the near future. Westinghouse's lamp division is working on an ultraviolet lamp that turns some of the surrounding air into negative ions.

Besides improving mental outlook, negative ions offer some relief for hay fever, asthma, and sinus sufferers. Positive ions have just the opposite effect. But Westinghouse emphasizes the idea is still experimental.

## Your Guide to New Products

(Continued from page 17)



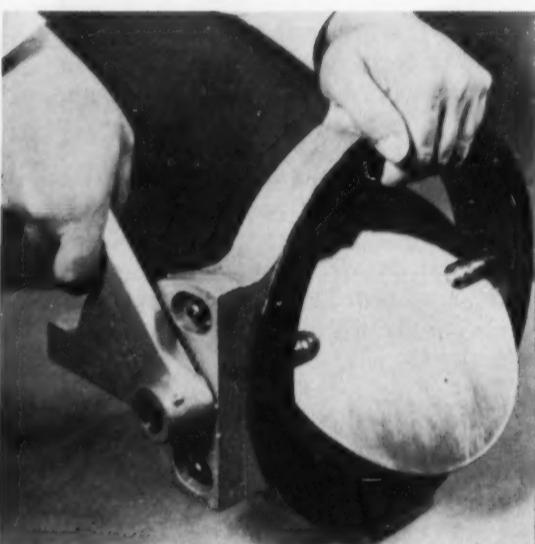
### Lift Truck Change

#### Corrosion Proof

Corrosion-proof modification permits use of worksaver trucks in corrosive atmospheres. Modification permits trouble-free use of all types of worksaver trucks in such places where excessive amounts of water and acids cause frequent equipment breakdowns. Modification consists of enclosed motors, a phosphate coating on undercarriage linkage to protect moving parts, and special undercoating.

Price: \$100 (plus standard truck price). Delivery: 2 to 6 wk.

**Yale Materials Handling Division, Yale & Towne Mfg. Co., 11000 Roosevelt Ave., Philadelphia 15, Pa. (P.W., 1/12/59)**



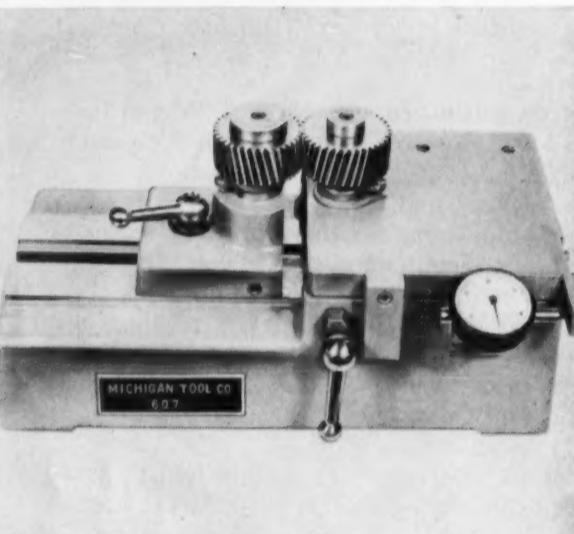
### Dust-Tight Valve

#### Controls Dry Powders

Solids flow valve is compact and stainless. It is designed for equipment involved in blending, milling, conveying, or operations where the discharge and flow of dry powders and granulations must be controlled. Accessories include adapters for mounting valve to existing equipment, plastic bag adapter, and positive close-off cover for use on vacuum vessels.

Price: \$130 to \$160. Delivery: from immediate.

**Patterson-Kelley Co., Inc., E. Stroudsburg, Pa. (P.W., 1/12/59)**



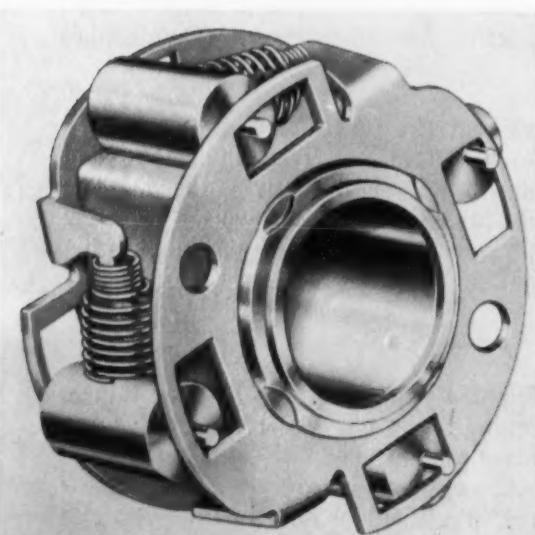
### Gear Fixture

#### For Checking

Model 607 gear rotating fixture accurately checks external spur and helical gears. Fixture checks size, eccentricity, and meshing smoothness of external spur and helical gears up to 10 in. in dia. All deflections appear on an integrated dial indicator in increments of 0.00005 in.

Price: about \$750. Delivery: 6 wk.

**Michigan Tool Co., 7171 E. McNichols Rd., Detroit 12, Mich. (P.W., 1/12/59)**



### Miniature Clutches

#### Allow Drive in One Direction

Miniature clutch allows drive in one direction and provides free-wheeling action in the opposite direction. Basic roller assembly consists of a hardened and precision ground cam block, four hardened and precision ground bearing steel rollers, four springs, and two side retainers. Available in four sizes for installation in user's housing.

Price: from about \$1.40. Delivery: immediate.

**Miniclutch Co., 373 Morse St., Hamden, Conn. (P.W., 1/12/59)**



**MOVABLE WALLS** allow company to expand or contract plant or office space at little expense. Walls also can be removed and used at other site. Maintenance cost also is low.

## Movable Walls Help Industry Expand, Prove Adaptable in Office and Factory

### Nine Guiding Factors to Be Applied by Purchasing Men In Picking Equipment Listed with Help of Manufacturer

Expansion-minded businesses are turning to movable walls to get flexibility. But the trend has created some problems for the purchasing agent.

There's a number of competing wall systems available. Service and installation facilities vary from manufacturer to manufacturer.

Factors below are designed, with the help of E. F. Hauserman Co., movable wall manufacturer, to provide purchasers with a guide to which wall system to purchase.

**1. Type and cost of system.** Look for the system that meets your functional and financial needs. Movable walls come in a wide variety of types. You can buy low-cost systems comparable with conventional walls but which are completely movable. Or you can buy custom systems that feature accessories and design refinements permitting fully individualized interiors. Prices vary, from \$18 to \$60 a linear foot.

**2. Reusability.** Choose a system that features complete reusability of all component parts. Entire walls and partitions, including panels, posts, doors, glass, and trim, should permit easy dismantling and re-erection in new locations.

**3. Erection.** Check the competence of the contractor handling the installation. He should be familiar with the peculiar problems of movable walls. Some of the wall manufacturers also offer erection service.

**4. Low maintenance.** Finishes should

be able to stand up under normal office or plant routine. Permanent finishes eliminate periodic painting; all that is necessary is washing. Panel material, usually steel or aluminum, should be thick enough to resist denting.

**5. Decorative variety.** Check sample books carefully for easy-to-live-with colors, harmonious decorative schemes of movable walls.

**6. Design flexibility.** Some manufacturers offer design services. This helps you plan interiors tailored to individual requirements.

**7. Wiring and soundproofing.** Good sound conditioning and adequate wiring promote office efficiency. Better-quality walls are soundproofed. Check lower parts of walls, or post interiors, for hidden channels which accommodate electrical conduits and other utility lines. This feature can save you installation costs. Such channels, of course, should afford easy accessibility for maintenance and repair of lines.

**8. Ready-to-install system.** Well-planned and pre-built wall systems permit swift assembly of entire floors. Spaces can be enclosed exactly to specifications. This is one of the benefits of movable walls; insist that your supplier's products have this feature.

**9. Service.** For occasional repair work or additional components you'll want a manufacturer that can supply that service. Some companies offer a lifetime service guarantee.

### Purchasing Week Definition

## Technology

Last year PURCHASING WEEK talked up a storm about technology. The word has several meanings.

Webster's New International Dictionary says: **Tech-nol-o-gy.** Systematic treatment. Industrial science or systematic knowledge of the industrial arts, especially of the more important manufacturers, such as spinning, weaving, and metallurgy, etc. . . . applied science contrasted with strictly pure science.

DuPont puts it this way: Technology, in its narrowest sense is simply engineering. But it is more than that. It is

the total of all human experience with the discoveries and tools and methods that add leverage to man's effort, providing abundance greater than his naked skills alone could deliver. . . . Technology is the wealth-creating force that accounts for the U. S. standard of living.

PURCHASING WEEK defines it this way: all the techniques, planning, and skills that go into bringing a new product into being can be summed up in the word technology. Technology makes new things possible. (P.W., 1/12/59)

## Profitable Reading for P.A.'s

### Linear Programming

**Linear Programming.** By Robert O. Ferguson and Lauren F. Sargent. Published by McGraw-Hill Book Co., 330 W. 42nd St., New York 36, N. Y. 342 pp. Price: 10.00.

For purchasing executives who have been waiting to find a basic introduction to the linear programming field, this new, concise study provides the answer. Its big advantage is in the presentation of a complex mathematical technique without going into higher mathematics. In other words, use and application are stressed rather than mathematics and theory.

The principles and concepts of linear programming are translated in practical terms by using familiar industrial examples. The discussion covers three computational methods for solving this type of problem. Another advantage: The book is divided into four self-contained sections—Introduction, Methods, Application, and Technical Appendixes. Each can be read separately without having to go through the tedious activity of referring to the other sections.

If you've heard and read a lot about linear programming, but are still confused as to its scope and application, this book may prove to be one of your best "purchases" this year.

**Tubeless electronic counters** are described in 4-page Bulletin No. EC-201. It describes uses, design characteristics, maintenance, and operating features of the new

totalizing and predetermined counters. Bulletin can be obtained by writing **Redford Corp., Instrument Division, Lake Luzerne, N. Y.**

**Comprehensive line of laboratory and scientific glassware** is shown in new 88-page Catalog No. 89A58. A total of 377 glass items, including everything from adapters to stopcocks, are illustrated in the new catalog. Prices are also given. Copies are available from **Fischer & Porter Co., 835 Jacksonville Rd., Hatboro, Pa.**

**Trimpot and Trimit lead screw actuated potentiometers** are described in 4-page Brochure No. 4. It features a specification table listing available resistances, terminal types, end settings, power ratings, operating temperatures, and dimensions of the more popular models. Prices are also included. Brochure is available from **Bourns Laboratories, Inc., P. O. Box 2112, Riverside, Calif.**

**New submersible motor** is described in 6-page Bulletin No. GEA-6853. It describes design and performance features of first oil-filled motor ever marketed as a complete unit for 4-in. well applications. Illustrated publica-

tion contains motor ratings and dimension chart with cutaway view of the motor. Copies are available from **General Electric Co., Schenectady 5, N. Y.**

**Manual arc welding electrodes** for hardsurfacing and for welding stainless steels, nonferrous metals, and cast iron are described in 20-page Catalog No. 7000.2. The Weldirectory describes each electrode, its properties and applications, and how to use it. Catalog is available from **Lincoln Electric Co., Cleveland 17, Ohio.**

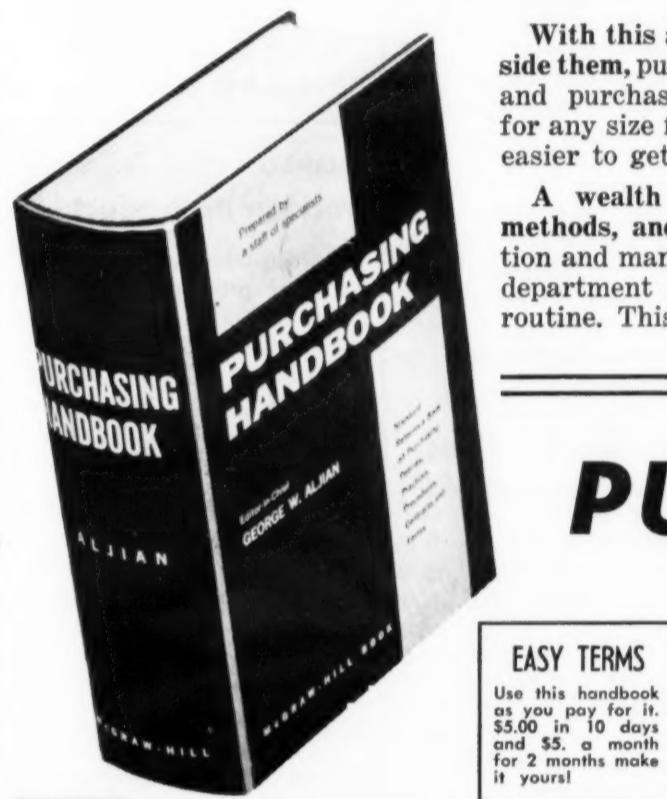
Complete information about every type of underfloor distribu-

tion system is given in 52-page catalog. It is clearly illustrated with drawings and photos. Also included is a full line of service fittings, boxes and saddle supports. Catalog is available from **National Electric Products Corp., Pittsburgh, Pa.**

**"The Role of Molybdenum in Steel Castings for Industrial Equipment"** is title of 36-page booklet. It discusses hardenability, tensile properties, fatigue, wear and impact resistance, machinability, and weldability, of cast steels. Booklet is available from **Climax Molybdenum Co., 500 Fifth Ave., New York 36, N. Y.**

**NOW—Let GEORGE ALJIAN help you with these . . .**

## TESTED PRACTICES AND OPERATIONS FOR EVERY PHASE OF THE PURCHASING FUNCTION



**28 BIG SECTIONS**

1. The Purchasing Function
2. Purchasing Department Organization
3. Policy and Procedure Manuals
4. Legal Influences in Purchasing
5. Purchase Order Essentials
6. Ethical Practices in Purchasing
7. How to Select Sources of Supply
8. Quality: The Major Assignment
9. Pricing Considerations
10. Price Evaluation
11. How to Analyze Value
12. Forward Buying
13. How Inventory Control Reduces Cost
14. Buying Procedures: Commodity Classes
15. Considerations in Non-Repetitive Major Purchases
16. Import and Export Purchasing
17. Transportation and Traffic Considerations
18. Public Purchasing
19. Purchasing in Canada
20. Disposal of Reclamation and Salvage Materials
21. Purchasing Department Budgets
22. Selection and Training of Buyers
23. Performance Evaluation of Purchasing Department
24. Purchasing Department Forms and Records
25. Purchasing Department Library and Catalog File
26. Glossary of Terms
27. Appendix
28. Reference Tables

### EASY TERMS

Use this handbook as you pay for it. \$5.00 in 10 days and \$5. a month for 2 months make it yours!

## PURCHASING HANDBOOK

Standard Reference Book on Purchasing Policies, Practices, Procedures, Contracts, and Forms

Prepared by a Staff of Specialists  
Editor-in-Chief, GEORGE W. ALJIAN

Director of purchasing and packaging for California and Hawaiian Sugar Refining Corporation in San Francisco

1388 pages, 6 x 9, over 200 illustrations, \$15.00

Do you need a good working formula for determining the minimum quantity of any item you order? (See Section 3, page 27.) Suppose two or more suppliers of the same commodity are also customers of your company, from whom do you buy? (See 7-20.) How can you reject an unsatisfactory shipment and still keep the goodwill of the vendor? (See 8-27.) These are typical of the questions answered here. Complete information ranges all the way from how to buy major construction (Sec. 15) to how to set up a "cash purchase order" system for the smallest orders (Sect. 9). Only a personal examination of this Handbook could convince you of the vast amount of information it makes instantly available. Mail the coupon below right now.

"Purchasing has its own handbook—and it's a good one. The thing which makes this new handbook worth the \$15 across-the-counter sales price is that it is the first time all this information has been written for the P.A. by his fellow purchasing agent. If you look at it on a per page cost, there are very few of the 1,388 pages which will not return valuable knowledge for the 1 1/4 cents paid for it." —from the review in Purchasing Week

### —10 Days' Free Examination—

McGRAW-HILL BOOK CO. Inc., Dept. PWK-1-12  
327 West 41 St., New York 36, N. Y.

Send me Aljian's PURCHASING HANDBOOK for 10 days' examination on approval. In 10 days I will (check one)  remit \$15.00, plus a few cents delivery costs; or  \$5.00 in 10 days and \$5.00 a month for 2 months. Otherwise, I will return book postpaid. (We pay delivery costs if you remit with order; same examination and return privilege.)

Print name . . . . .

Address . . . . .

City . . . . . Zone . . . . . State . . . . .

Company . . . . . Position . . . . .

For price and terms outside U.S.A.,  
write McGraw-Hill Int'l., N.Y.C.

PWK-1-12

**ETASCO**  
EASTERN TOOL & STAMPING CO., Inc.  
122 BALLARD ST., SAUGUS, MASSACHUSETTS  
MASSACHUSETTS  
—where America's first  
successful ironworks is located



ONE OF TWO gantry crane unloaders at the recently opened Burnside Marine Terminal on the Mississippi, 30 miles below Baton Rouge.

## Burnside Marine Terminal Now Operating; Facilities Leased to Olin Mathieson Chemical

**Baton Rouge, La.**—The Gulf Coast's largest publicly owned marine terminal has opened operations. Burnside Marine Terminal built at a cost of \$15 million, is located on the Mississippi River 30 miles below Baton Rouge.

Baton Rouge Port Commission has leased the facilities to Olin Mathieson Chemical Corp. The Ormet Corp., jointly owned by Olin and Revere Copper & Brass, Inc., has a \$55 million alumina plant near the terminal.

"These facilities should make Baton Rouge one of the Gulf area's leading ports. There are also 3,000 acres for industrial development," Port Commission President Ernest D. Wilson pointed out.

Separate equipment and dock areas will handle Ormet's liquid caustic soda and bauxite shipments. Ormet's plant will use 60,000 tons of liquid caustic soda and 700,000 tons of bauxite a year.

The terminal's capacity will far exceed Ormet's needs. Its equip-

ment includes two gantry crane unloaders, ship-barge loader, 175,000 sq. ft. of open storage space, 800-ft. ship berth, barge berths, and a 440 hp. workboat to move barges.

### Machine Tool Builders To Move to Washington

**Cleveland**—The National Machine Tool Builders' Association is planning to move its offices to Washington, D. C. The directors of the association have approved the action but set no deadline.

Ludlow King, executive vice president, said he is hopeful the association will be settled in new Washington quarters by the latter part of 1959.

### Bristol Labs Ups Owners

**Syracuse, N. Y.**—William A. Ownen, manager of purchasing, will direct Bristol Laboratories, Inc.'s new package development department.

## GUARANTEED

to give  
drip-tight  
leak-proof  
seal

greatest name  
in unions

## DART

For over 55 years the firm guarantees back of each and every DART UNION sold has been "if one should leak through we will give you two!" The record reveals that less than two in every 100,000 has proven to be faulty. The extra wide bronze to bronze seats, precision ground to a true ball joint, mounted in heavy malleable iron pipe ends and protected by an extra heavy union

nut, make a drip-tight, leak-proof connection WITHOUT EXCESSIVE WRENCHING time and time again. Guarantee positive tight connections and extra long service on your pipe lines by using the DART GUARANTEED UNION.

Yours on request: Descriptive brochure on Dart Unions and Union Fittings.

DART UNIONS Products of DART UNION COMPANY PROVIDENCE 5, R. I.

GENERAL  
SALES  
AGENT

THE Fairbanks COMPANY  
393 LAFAYETTE STREET, NEW YORK 3, NEW YORK  
BRANCHES: NEW YORK 3  
PITTSBURGH 22 • BOSTON 10 • ROME, GEORGIA

## Harvey Aluminum On Stream in Oregon

**Torrance, Calif.**—Harvey Aluminum is swinging into production at its new 54,000-ton-a-year capacity reduction plant at The Dalles, Ore. The company said special preference is being given to nonintegrated small business aluminum users.

Lawrence A. Harvey, board chairman of the West Coast producer, said the company's price policy will be competitive with any North American continental producer. With full quantity production underway at the plant, Harvey said, "there is now no need for any user of aluminum pig, ingot, or billet to stockpile or make forward purchase commitments of primary material beyond immediate current needs."

### New Mechanism Speeds Pushbutton Spray Output

**Chicago**—A nine square foot compact ammonia-jacketed chiller has increased pushbutton spray products output to 120 containers a minute. DeMert & Dougherty, Inc., says the device allows its plant to chill and fill spray containers at the rate of two every second.

Chemtron Corp.'s Louisville-based Girdler Process Equipment Division developed the mechanism known as a high-speed votator heat exchanger.

DeMert & Dougherty cited three other advantages over the refrigerated pipe process: higher cooling efficiency, ease and economy of cleaning during frequent change over shutdowns, and virtual elimination of waste.

### Carborundum Co. Adds 2nd Univac Computer

**Niagara Falls, N. Y.**—With its present Univac operating on a three-shift schedule, Carborundum Co. will have another electronic computer installed at its data processing center here.

The second Univac I will be used to handle additional operations to be introduced into the system during the next five years.

Current E.D.P. activities at Carborundum include order processing, inventory record keeping, billing, sales accounting and reporting for three abrasives divisions, salaried payrolls for all U.S. personnel of the company, and all hourly payrolls for the Niagara Falls plants and the Logan, Ohio, plant.

### Dynamic Gear Co. Opens General Machine Shop

**Amityville, N. Y.**—Dynamic Gear Co., Inc., expanded its facilities 50% with the opening of a general machine shop at Copiague, N. Y.

Dynamic makes stock, custom, and miniaturized gears. Use of precision gears in the government's missile program hastened acceptance in the commercial line, William A. Wiegand, president said.

### Pilot Plant Set for '59

**Huntersville, N. C.**—Southern pilot plant operations will begin here in 1959, Magla Products Co. of Newark, N. J., manufacturer of miracle-fibers products, announced.

## In the World of Sales

**Wilfred R. Ogg**, Chicago district manager of Norton Co.'s Grinding Machine Division, has been assigned the new post of manager of distributor sales for the division.

**Kenneth J. MacCallum** has been promoted from district sales manager in the Ohio, Indiana, and Kentucky areas to assistant sales manager, a new post, by Putnam Tool Co., Detroit.

**William R. Mogg** has joined Crucible Steel Co.'s Spring Division, Pittsburgh, as sales manager. He had been sales manager of special products for Cleveland Graphite Bronze Co., a division of the Clevite Corp., Cleveland.

**Foster W. Lamb** has been appointed to the new position of general sales manager for Chicago Hardware Foundry Co., North Chicago, Ill. Lamb had formerly been with Automatic Transportation Co., division of Yale & Towne Mfg. Co., Chicago, Templeton Kenly & Co., Broadview, Ill., and the Colorado Fuel & Iron Corp., Denver.

**Douglas E. Kellogg** has taken

### Saco-Lowell to Diversify, Broaden its Product Line

**Boston**—Expanding its diversification program, Saco-Lowell Shops has formed a new products and business development program. James P. W. Davidson, who was named business development director, will handle product development and acquisition of firms.

Saco-Lowell seeks to broaden its automotive and agricultural parts line. It also will look into the field of machinery manufacture and precision metal cutting components.

### Georgia Plant Plans Set

**Swainsboro, Ga.**—New York Rubber Corp. will produce a line of inflatable rubber goods at a new 70,000 sq. ft. plant here. P. D. Ash, New York Rubber's board chairman, said 100 workers will be employed at the soon-to-be opened facility.

the post of sales manager with Foredom Electric Co., Inc., Bethel, Conn. Kellogg had been divisional sales manager for the Bristol Co., Waterbury, Conn.

**George S. Chiaramonte** has joined the Cogsdill Twist Drill and Threadwell Tap & Die Divisions, Sheffield Corp., Greenfield, Mass., as sales manager. Chiaramonte had been sales manager of the E. Horton & Sons Co., Windsor Locks, Conn., which later became the Horton Division of United Greenfield Corp.

**Jack D. Cavan** succeeds Harvey Craig as general manager of sales, the Bolt & Nut Division, Republic Steel Corp., Cleveland. Craig has been advanced to the new post of manager of trade relations for the company. William C. Schnackel, an assistant sales manager of the division, has been made assistant sales manager of the Bar Division.

### PURCHASING WEEK

Vol. 2, No. 2

January 12, 1959

is published weekly by the McGraw-Hill Publishing Co., Inc., James H. McGraw (1860-1948), Founder. Publication Office, 99-129 North Broadway, Albany 1, N. Y. See panel below for directions regarding subscriptions or change of address.

EXECUTIVE, EDITORIAL, CIRCULATION and ADVERTISING OFFICES: 330 West 42nd St., New York 36, N. Y. Donald C. McGraw, President; Joseph A. Gerard, Executive Vice President; L. Keith Goodrich, Vice President and Treasurer; John J. Cooke, Secretary; Officers of the Publications Division: Nelson L. Bond, President; Harry L. Waddell, Senior Vice President; Ralph B. Smith, Vice President and Editorial Director; Joseph H. Allen, Vice President and Director of Advertising Sales; A. R. Venezian, Vice President and Circulation Coordinator.

Subscriptions are solicited only from purchasing executives in industry, business and government. Position and company connection must be indicated on subscription orders. Send to address shown in box below.

United States subscription rate for individuals in the field of the publication, \$6.00 per year, single copies 50 cents; foreign \$25 per year, payable in advance. Printed in U.S.A. Title registered in U.S. Patent Office. Copyrighted 1959 McGraw-Hill Publishing Company, Inc., all rights reserved.

UNCONDITIONAL GUARANTEE—We agree, upon direct request from paid-up subscribers to our New York office, to cancel any subscription if PURCHASING WEEK's editorial service is unsatisfactory. The proportionate subscription price of any unmailed copies will be refunded.

SUBSCRIPTIONS: Send subscription correspondence and change of address to Subscription Manager, Purchasing Week, 330 West 42nd St., New York 36, N. Y. Subscribers should notify Subscription Manager promptly of any change of address, giving old as well as new address, and including postal zone number, if any. If possible enclose an address label from a recent issue of the publication. Please allow one month for change to become effective.

Postmaster . . . Please send form 3579 to Purchasing Week  
330 W. 42nd St., N. Y. 36, N. Y.

## WHERE-TO-BUY

National purchasing section for new equipment, services, and merchandise.  
RATES: \$17.15 per advertising inch per insertion. Contract rates on request. Subject to agency commission and 2% cash discount. SPACE UNITS: 1-6 inches.  
Send new advertisements or inquiries to: CLASSIFIED ADVERTISING DIVISION  
"PURCHASING WEEK" Post Office Box 12, New York 36, N. Y.

### You See What's Happening At A Glance!



- ★ BOARDMASTER Visual Control Saves You Time, Money.
- ★ Gives Graphic Picture of Your Operations. Stops mixups.
- ★ Simple to Operate. Write on Cards, Snaps in Grooves.
- ★ Ideal for Sales, Production, Inventory, Scheduling, Etc.
- ★ Made of Metal. Compact and attractive. Over 300,000 in Use.

Full price \$49.50 with cards

FREE

24-page Illustrated BOOKLET No. CD-30 Without Obligation

Write or Call Wisconsin 7-8444

GRAPHIC SYSTEMS, 55 West 42 St., New York 36

# Purchasing Perspective

JAN. 12-18

(Continued from page 1)

most of its strength in retailers' stocks, reflecting arrivals of 1959 models at car dealers. Manufacturers and wholesalers inventories held steady as of Dec. 1 for the second straight month. . . . **Paperboard makers made a fall run-for-the-money**, erasing early 1958 recession deficits and closing the year slightly above 1957 in total output and less than 1% under the 1956 record high. . . . **Furniture manufacturers report they are off and running with the new year**, continuing a steady recovery on since last May.

• • •

**Trends: Federal mediators are moving into the long-deadlocked oil refinery contract negotiations.** Sinclair will meet government conciliators and Oil, Chemical & Atomic Workers Union negotiators at Kansas City this week. The union has served a 15-day strike notice which expires Jan. 17. . . . **Canadian railways are far from bashful in pressing rate demands.** They won a 17% freight boost only 6 weeks ago, now have asked the government for another increase.

• • •

**Have sharp Russian buyers outsmarted us?** The Agriculture Department is checking to find out. The case involves a recent Austrian purchase of 20,000 metric tons of corn. Soviet traders won the contract on a bid of \$58 a ton, delivered in Vienna.

After the deal, word spread that the Russians had sold corn which the United States originally shipped to Communist Poland. There has been no official confirmation as yet. But Poland received more than 49,000 tons of corn from us under grain aid agreements since 1957. The cost figures out to about \$53 a ton, or \$5 less than the Russians charged the Austrians.

• • •

**Popularity of lower-priced packaging materials is not discouraging DuPont plans to further exploit cellophane.** DuPont first introduced cellophane to the U.S. 35 years ago. The company, leading producer of polyethylene and other more recently developed films, now has placed in operation a new 50-million ton annual capacity cellophane plant at Tecumseh, Kan. DuPont has developed more than 100 types of cellophane wrap, each designed to fill a specific packaging need. It expects to continue to develop new types to meet future requirements of all industries.

## Tax Laws Affect Industrial Buying

(Continued from page 1)

machines such as those used in making stencils for marking freight shipments were freed from the manufacturer's excise tax. So were electric floor polishers, many industrial fans and circulators, and refrigerator parts. But gas or oil garbage disposal units and incinerators now will be subject to a 5% application tax.

An important change is one specifying that leased trucks, business machines, and other equipment won't be taxed at a higher rate than if bought outright. Communications systems located entirely on the employer's premises, such as teletypes and burglar alarms, no longer are subject to telephone and wire equipment charges.

If your company operates on a fiscal tax year instead of a calendar tax year, there may be important new tax reductions to watch for this year. Most important of these is a provision allowing faster depreciation writeoffs on newly acquired machinery and equipment. You can now deduct up to 20% of the cost of these items the first year in figuring depreciation.

This provision is limited on purchases of up to \$10,000 annually, or \$20,000 where a joint husband-wife tax return is filed. This change is expected to result in a saving of \$260 million an-

nually and is effective for any tax year ending after June 30, 1958.

Another important provision with the same effective date is one to allow a loss to be carried back three years instead of two as at present for purposes of receiving retroactive tax rebates.

Aside from the specific business tax revisions listed above, probably the biggest change was the one in your pay check. The checks of all salaried employees and wage earners now are a little smaller than last year because Social Security taxes went up from 3 1/4% to the new rate of 3 1/2%.

Employers also are paying a higher tax, and for both employer and employee the rate will apply to the first \$4,800 of income this year instead of to \$4,200 as previously. Thus the federal payroll Social Security tax will produce more than an estimated \$1.3 billion this year, out of which an additional \$1 billion will be paid for higher Social Security benefits.

Again on a personal basis, other tax reductions include exemption of the first \$1 of admissions to theaters and other entertainment events from a 10% admission tax. Admission taxes also were lifted on privately operated recreation facilities such as swimming pools. The tax load on private club dues also was lightened.

## Cubans Rushing Sugar to Market; Castro Restoring Transportation

(Continued from page 1) interests in Cuba besides sugar took this "push on repairs" to mean that Fidel Castro's victory will in no way hamper their industrial operations in that country.

Instead, as executives for many of these companies told PURCHASING WEEK, the revolutionary government may be "a big help" in hastening Cuba's economic rehabilitation.

J. C. Carrington, vice president of the Freeport Sulphur Co., New York, which is investing \$75 million in nickel and cobalt mining and concentrating operations in Oriente Province, said the company has experienced no "serious" repercussions from the revolt.

"The day the news broke that Batista had fled and Castro was victorious," Carrington said, "our 3,000 workers walked off the job to celebrate, but they returned within a short time and now work is proceeding on schedule."

Similar comments were made by O. Grant Hylander, executive vice president of American & Foreign Power Co., Inc., which

has about a \$300 million investment in Cuba's power system.

He said some facilities there had suffered minor damage but now "things are getting back to normal and we expect no further trouble."

A spokesman for the International Telephone & Telegraph Corp. commented similarly regarding his firm which has \$30 million invested in the Cuban Telephone Co. He pointed out that Castro will need communications just as much as did Batista.

An executive for a major U.S. sugar firm pointed out that while the rebels were careful not to damage production facilities, American sugar interests nevertheless suffered losses "running into hundreds of thousands of dollars."

He said these resulted from damage to warehouses, rail lines, and rolling stock. He said some 13 American firms own about 40 Cuban mills and the total investment in the industry is about \$750 million. The executive added that most sugar firms are "optimistic" about the future.

## Firm Soft Coal Tags Slowing Hard Coal Pact

(Continued from page 1) tory agreement on or before that date." The U.M.W. is seeking mainly an increase in operators' 50¢ a ton contributions to the union welfare fund.

Major utility and power companies in the east said soft coal producers have not even approached them with a price boost. Consolidated Edison which uses about 6 million tons of bituminous annually, credited a weak market and oil competition. "I doubt if we'll get hit with an increase even in April when our new contracts with the producers come up" a spokesman said.

### Cautious Increases

The same report came from Connecticut Light & Power Co., Long Island Lighting Co., and Public Service Co. of New Jersey.

Bituminous operators in the south and midwest upped prices but were "extremely cautious" to ask for only the minimum amount. As one producer explained:

"Our price has been increased by 15¢ on industrial soft coal as of Jan. 1 with another 5¢ scheduled when the second wage increase becomes effective on April 1. This may not be enough to compensate for the increase in wages, but sometimes you have to settle for less because you can't get so much, especially after a recessive year."

Appalachian Coals, Inc., in Cincinnati raised prices 15¢ a ton on industrial steam sizes and 25¢ on specially prepared sizes. Informed sources doubt a further hike will come on April 1.

## B.& O.'s Volume Rates Supported

(Continued from page 1) rates to go into effect on the B&O proposal as of Dec. 18. But the issue is still subject to an I.C.C. investigation of the whole matter. A hearing has been set for March 16.

Supporting the piggyback volume rates are such companies as ACF Industries, Inc., American Zinc, General Electric Co., Montgomery Ward, and dozens of other such firms, plus shipping organizations.

Meanwhile, eastern railroads are engaged in a running rate cutting battle between another competitor—water carriers. The I.C.C. is expected to rule within the next couple of weeks on a fight between the rails and the Pan-Atlantic Steamship Corp. on the immediate issue which revolves around freight charges for hauling canned goods from the east to the south. Over a period of several months, Pan-Atlantic, hauling loaded containers, and the railroads have engaged in a number of tariff cuts.

The matter goes deeper than just who hauls canned goods, however. Recently, Maritime Administrator Clarence G. Morse stepped into the picture and officially told the Interstate Commerce Commission that the "status quo" should be maintained until the commission could make a full scale investigation of the relationship between domestic waterborne rates and competing railroad charges.

A continuation of the rate cutting between the shipping company and the railroads "is detrimental to the best commercial and military interests of the United States," Morse told the commission.

Traditionally, waterborne rates have been lower than rail or motor rates. Since World War II, however, the coastwise shipping traffic has dwindled to the point where it is nearly extinct. Pan-Atlantic with its fleet of container vessels, has sought to revive this trade, however.

Observers look for the Mari-

time Administration to make a strong bid with the I.C.C. to keep the water rates a notch below rail charges as a protection for the slight upturn in the coastwise freight carriage. The rails, however, are sure to make a fight over the issue. And, they have the Transportation Act of 1958 to backstop them. It was the intention of Congress when the 1958 Act was passed to remove much of the umbrella protection that the rails charged was being used by the I.C.C. to prop up other modes of transportation when lower rail rates were proposed. The I.C.C. reasoning has been that too much rate cutting hurts other forms of transportation, and thus impairs the overall national transportation system.

### Union and Shippers Meet On Containerization

(Continued from page 1) at "broad principles on automation in preparation for future collective bargaining."

Alexander P. Chopin, N.Y.S.A. chairman, said the association has always felt "the only way to solve the problem of automation is on a mutual basis and to try to work out a program that is acceptable to all."

It was learned that the Longshoremen told the shipping industry at this first session that there should be no loss of jobs because of new loading and handling methods. They reportedly felt any "extra costs" should be absorbed by the industry for doing business on the piers.

A statement, released later by the I.L.A., read in part:

"Be assured that the union is on the side of technological progress. We do not aim to obstruct or discourage progress. At the same time, our concept of progress does not involve casting longshore workers adrift without jobs or income. All we ask is that when there is progress, there should be progress for everyone—including the dock worker."

## Big Fight in Sight On Defense Budget

(Continued from page 1) action on Capitol Hill last week, Congressional leaders were already miffed at what they consider a meager increase in defense spending reported to be in the Administration's 1960 budget. Estimates were that next year's military expenditures will total only about \$40.9 billion—a \$100 million increase over this year.

### More Missile Money

Odds have now increased that the lawmakers will tack additional money to the appropriation request to push the Pentagon into accelerated missile and space projects. Industrial purchasers interested in what specific areas will get the impact of additional military buying will just have to wait and see. But chances are the broad, hardware type of procurement will be affected but little in this age of missile.

Pentagon budget men, as recently as a few weeks back, were planning in terms of a \$42-billion military budget. Even this, they claim, was a severe slashback from money requests made by the individual services. It indicated that the White House demanded sharper cuts in Defense Secretary McElroy's budget long past the time when budget matters normally would have been settled within the Administration family.

## Price Changes for P.A.'s

**Steel**—Joslyn Mfg. & Supply Co. and Allegheny Ludlum Steel Corp. have increased prices 3 1/4% on various steel billets, bars, and wire products. Higher costs, especially those of labor, are reported responsible.

Allegheny Ludlum also has announced cuts of 11 to 14% on certain premium quality steel alloys. Such alloys as X-200, and 300-M designations are included. The firm also cut two low-carbon stainless steel sheet and strip forms 1/4 to 1/2¢ a lb. Grade 304-L is now quoted at 62 1/4¢ a lb. and grade 316-L is now quoted at 88 1/2¢ a lb.

**Rayon Yarn**—The DuPont Co. has boosted tags on its Super Cordura high density rayon yarns by 2 to 3¢ a lb. A quote of 60¢ a lb. now stands for 1650 and over denier, while 1100 denier is now 66¢ a lb. The new tags go into effect with March orders.

**Alcohol**—A number of solvents including acetone, isopropyl, and butyl alcohol have had their spread between carlot and less carlot prices widened by 1/2¢ a lb.

**Ortho - Dichlorbenzene**—Boosts of 1 and 2¢ a lb. respectively on carlot and less carlot prices of ortho-dichlorbenzene have been announced. Carlot cost of 550-lb. drums is now 23 1/2¢ a lb., and less carlot price is 25 1/2¢ a lb.

**Titanium**—Crucible Steel Co. has cut prices of its titanium mill

### SEARCHLIGHT SECTION

CLASSIFIED ADVERTISING  
BUSINESS OPPORTUNITIES  
EQUIPMENT—USED or RESALE

**Electric Motors 1 H.P. to 500 H.P.**  
TRANSFORMERS - GENERATORS  
GEAR REDUCERS - BLOWERS  
BUY • SELL  
RAINBOW ELECTRIC  
2610 Green Bay Rd. Evanston, Ill.

**GOVT. & INDUSTRIAL SURPLUS FOR SALE**  
Bargains Galore at the  
INSTITUTE OF SURPLUS DEALERS  
9TH ANNUAL TRADE SHOW  
January 25th to 28th, 1959 at N. Y. TRADE  
SHOW BLDG., 500 8th Ave., N. Y. C.  
For further information, contact  
F. Reider, 700 8th Ave., N. Y. C., JU 2-7930

**FOR SALE**  
Luer-Lok Hypodermic Needles  
2600—1 1/2" 17 ga.  
4000—1 1/4" 17 ga.  
Any Offer Considered.  
GENERAL TIRE & RUBBER CO.  
Jeanette, Pa.  
Att: C. L. Carroll

**New & Rebuilt**  
MOTORS - GENERATORS  
TRANSFORMERS - SWITCHGEAR  
Send for free listing  
— L. J. LAND, INC. —  
P. O. Box 756X, Reading, Pa.  
Phone Franklin 5-8474

**SURPLUS INVENTORIES . . .**  
One quick and economical way to sell your surplus inventories is to advertise them in the ONLY NATIONAL WEEKLY PURCHASING NEWSPAPER . . . PURCHASING WEEK.

PURCHASING WEEK reaches the 25,000 key purchasing executives . . . the men that have the authority to say "yes".

For quick economical results . . . advertise your surplus inventories in PURCHASING WEEK . . . at the low, low, rate of \$10.00 per advertising inch.

For contract rates or information, contact your advertising agency or write:

**PURCHASING WEEK**  
CLASSIFIED ADVERTISING DIVISION  
Post Office Box 12 New York 36, N. Y.

products from 10 to 12%. New prices are: sheets—\$7.50 a lb., plates—\$5.00 a lb., and bars—\$4.25 a lb. Special processing charges have also been cut slightly. Improved manufacturing practices and lower raw material costs are reported responsible for the cuts.

**Mercury**—Continued weakness has dropped prices to the \$219-\$220 range a 76-lb. flask.

**Gasoline**—A number of New England distributors have increased gasoline tags from 1.2 to 6.6¢ a gal. New prices for dealer tank wagon, regular grade include: Portland, Me.—15.4¢ a gal., Boston—15.4¢ a gal. with a 1¢ voluntary allowance, Providence—15.3¢ a gal. with a 0.9¢ per gal. voluntary allowance and Hartford, Conn., 15.5¢ a gal. with a 1.1¢ voluntary allowance.

**Resin**—E. I. DuPont de Nemours & Co. has cut Teflon fluorocarbon resin by 8 to 10%. Better manufacturing technology is reported responsible for the cuts. Reductions range from 40¢ a lb. for granular molding powders to 80¢ a lb. for extrusion powder.

**Fuel Oil**—Continued cold weather has caused Gulf Coast refiners to increase light fuel oil for northern shipment 1/8¢ a gal. Light fuel is now quoted upward from 9 1/4¢ a gal.

Kerosene prices have been boosted 1/4¢ a gal. by Gulf Coast refiners. Price now stands at 9 1/4¢ a gal.

**Platinum**—Soviet activity has caused further declines in platinum prices. U.S. producer price is now \$52 an oz. with some purchasers obtaining platinum at as low as \$50 an oz.

**Petigrain oil**—Limited demand has dropped spot prices of petigrain oil 10 to 20¢ a lb. Quotations now range from \$2.30 to \$2.50 a lb.

**Zirconium silicate**—A boost of 1¢ a lb. puts carlot and less carlot prices of zirconium silicate at 15 and 16¢ a lb. respectively for 2,000 to 9,000 lb. lots packed in bags.

**Tin Chemicals**—Weakness in tin prices has caused potassium stannate prices to drop to a range of 76.7 to 83.9¢ a lb. Sodium stannate ranges from 62.3 to 68.2¢ a lb., while tin crystals vary from 98.3¢ to \$1.338 per lb.

**Crude Oil**—Vickers Petroleum Co. has reduced its posted price for fuel oil in Kansas to \$2.98 a bbl.

**Polyethylene**—Phillips Chemical Co. has cut the price of its marlex, high-tensity polyethylene plastic by 5¢ a lb. New price is 38¢ a lb.

### R. R. Consolidates Offices

**Marshall, Texas**—Texas & Pacific Railway Co. has consolidated its purchasing and stores functions in new offices here. Howard Crouse, chief purchasing agent, will head the department.

## States Turn Attention to Better Purchasing

(Continued from page 1) of Gov. S. Marvin Griffin and center of the extended controversy, will step down this month to be replaced by William R. Bowdoin, Atlanta banker and appointee of the incoming administration.

The legislative group proposed a \$17,500 salary for the chief state purchasing agent, who now receives but \$7,500 plus \$2,400 subsistence allowance. Other raises were proposed for lesser purchasing officials.

Cleanup recommendations include

- Destroying a "master list of friends of the administration" who act as middlemen on state purchases.
- Maintaining an open list of firms wishing to bid on state business.
- A requirement that all departments keep accurate inventories.
- A required check on whether bids represent a fair market value.
- Repeal of the current "emergency purchases" law.

Bowdoin already has promised to take immediate steps to improve Georgia's purchasing methods and reputation. Planning to check the purchasing activities of other states in an attempt to revamp the buying operation here, Bowdoin said he also would make a special effort to attract bids from "reputable firms" on Georgia contracts.

One of the big criticisms of Georgia buying under Shaw was that lucrative contracts for shoes, tires, oil and other items went to administration friends at higher prices than comparable purchases in nearby states.

### Washington Shakes Up Purchasing Department

**Olympia, Wash.**—A State House shakeup in Washington's Purchasing Department has climaxed with the firing of the state's purchasing supervisor.

But the official who ousted him said former Purchasing Supervisor Lee B. Foster's buying practices would not have raised an eyebrow in private industry.

Two of Foster's former assistants also left the department as state officials strived to reorganize the buying setup on a sounder footing.

Politics and lack of sharply defined purchasing policies and buying procedures were cited as roots of the trouble which has had Washington State purchasing on the spot. The recent series of suspensions, firings, and resignations stemmed from charges that buying was blotted by favoritism and other irregularities (P.W. Dec. 29 p. 1).

Promising a revised set of buying rules, Charles W. Hodde, new director of the State's Department of Administration, reinstated three of five buyers who

were suspended along with Foster in mid-December. While a discharge notice was handed Foster, one of his suspended buyer assistants resigned and a second was ordered transferred from Purchasing to another state office.

Hodde, whose predecessor also resigned under fire in the purchasing inquiry, said Foster drew criticism only because of "inexperience in public affairs and failure to realize the problems created by political pressures that are not present in private industry."

Foster's "manner of handling purchases that have been criticized probably would not occasion any comment in private industry," Hodde declared. He said Foster was discharged because he shared responsibility for policy and operations of the Purchasing division with Lloyd Nelson, whom Hodde succeeded as head of general administration.

Hodde said he had found some purchasing errors and irregularities in procedure which he attributed to the lack of well-established state rules and laws governing purchasing. He said he was satisfied that no buyer had benefitted financially from the selection of vendors selling to the state. He admitted, however, "there has been some acceptance of inexpensive gifts and some instances of purchasing at discounts from vendors for friends and associates."

Foster and five of the six buyers in the department were suspended after an investigation by "The Seattle Times" disclosed a number of irregularities in state purchasing.

Among other things, the paper contended that purchases involving hundreds of thousands of dollars were placed on a non-competitive basis, that a Seattle firm operated by Foster's brother Harry was a principal beneficiary of the state's buying practices, and that a drug store operated by Nelson also was favored.

Hodde said he would take over Foster's responsibilities as purchasing supervisor, including signing of all purchase orders for merchandise valued at more than \$300. No replacement for Foster is planned "at this time."

## Eager Salesmen Looking Into Value Analysis to Keep Up with P.A.'s

(Continued from page 1) value analysis in mind. They expect to meet with certain of their customers. Value analysis techniques would be applied to show where their product would benefit the customer. Representatives of the customer's purchasing, engineering, and production departments would attend. These meetings would be patterned much on the style of the Value Analysis Inc. seminar.

Paul Farrell, Purchasing Magazine, keynoted the seminar. He was followed by J. K. Fowlkes and Howard L. C. Leslie, both of Value Analysis Inc. Farrell covered the philosophy of value while Fowlkes and Leslie presented the techniques and functions of value analysis.

If salesmen follow the advice of Fowlkes and Leslie, purchasing agents will be hearing value analysis from the other side of the desk in several ways. Purchasing agents will be getting:

- More information on parts and components.
- New ideas on materials, products, and processes.
- Help in correcting honest wrong ideas.
- Better use of standardized products.
- Help in overcoming bad habits and negative attitudes.

Basically the salesmen are aiming at adding more value to their products and their customers' products. The technique they'll use is value analysis.

A few of the companies attending the seminar were looking to evaluate value analysis as a sales tool. They have been using nearly the same techniques in

previous sales efforts. But they feel it is time to go a step further and bring these techniques together under the label value analysis.

Probably the most advanced program was described by Gries Reproducer Corp. Its sales force solicits customers and prospective customers with the objective of holding value analysis seminars. These seminars would make the customers conscious of how Gries makes value analysis work to their benefit. Generally these seminars are set up through the customer's purchasing department. Gries also has a continuing program of bringing its sales force up to date on value analysis techniques.

While sales people are alert to the use of value analysis in their selling effort they are also quick to point out some problems. For instance, a salesman may see a different design that could eliminate him as a supplier.

The answer seems to be that the salesman is not expected to act as a consulting engineer. His function is to sell his product. And value analysis offers considerable merit in helping him carry out that function.

Another problem is the purchasing agent hitchhiking on a salesman's new idea. Too often, say salesmen, this also eliminates them.

Both problems are really not new, the seminar's attendees finally decided. They are problems all salesmen face, no matter what sales techniques they use. And they expect that using value analysis will do little to make the problem more acute.

## 6 Houston Firms Fined After 'Identical Bid' Probe

**Austin, Texas**—The attorney general's investigation of firms submitting identical bids to municipal purchasing agents has resulted in penalties totaling \$120,000 for six Houston companies. The concerns agreed to pay the fine in settlement of charges that they violated Texas anti-trust laws in sales of oyster shells, a road-building material.

The state claimed the firms submitted identical bids to state, county, and city agencies.

Attorney general Will Wilson had said the defendants had issued identical bids on 450 separate purchase orders between 1954 and 1958.

"In Harris County (Houston) alone more than \$1 million worth of oyster shell is sold through public bids each year," Wilson pointed out.



**we're rolling!**

**NOW...AT INLAND...500,000 ADDITIONAL TONS CAPACITY FOR COLD ROLLED SHEET PRODUCTS** . . . a half-million more tons of the same uniformly dependable steel that has made *Inland Quality* the recognized standard among manufacturers throughout the great Midwest. Inland's giant, new 4-stand tandem mill, most powerful of its size in the industry, is part of Inland's program of expansion, keeping pace with the growth of Midwest manufacture. New pickling, continuous normalizing, annealing and tempering facilities do their part in producing this quality steel for your use. This new capacity means better service for you from Inland.

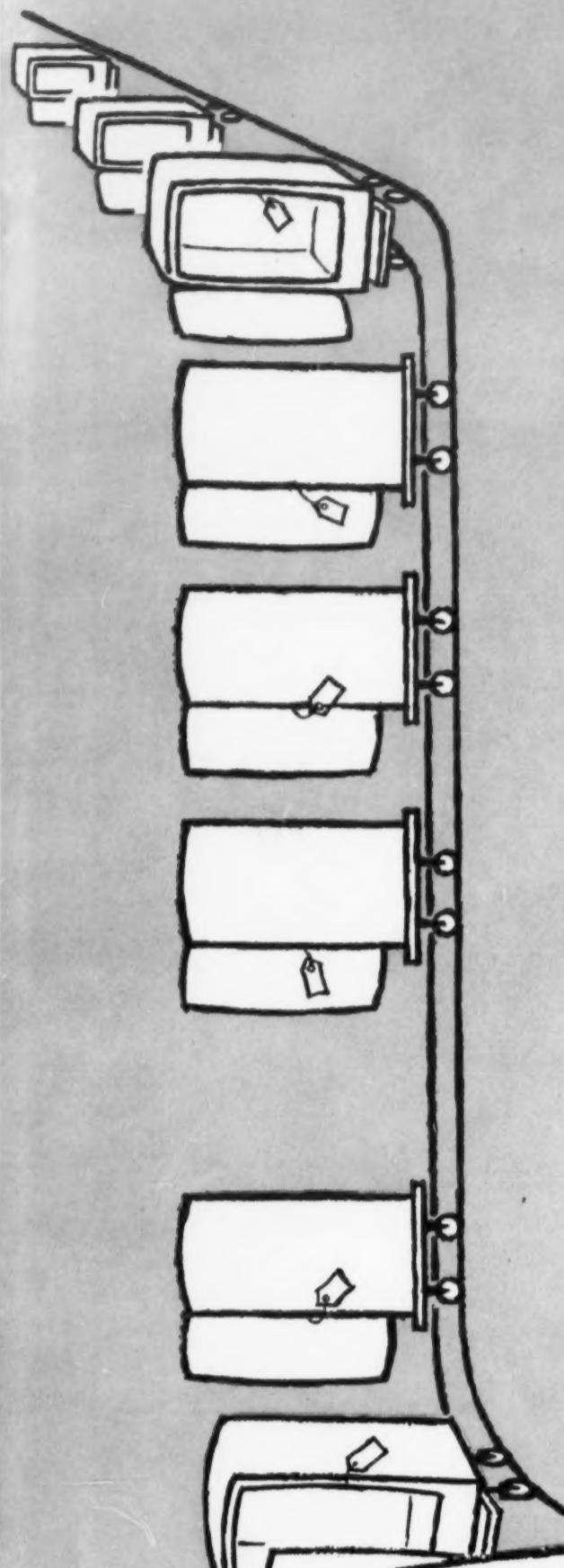
## INLAND STEEL COMPANY

30 W. Monroe St. • Chicago 3, Ill. | Sales Offices: Chicago • Milwaukee • St. Paul • Davenport • St. Louis • Kansas City • Indianapolis • Detroit • New York • Houston



*Other Members of the Inland Family*  
JOSEPH T. RYERSON & SON, INC.  
INLAND STEEL PRODUCTS COMPANY  
INLAND STEEL CONTAINER COMPANY\*  
INLAND LIME & STONE COMPANY\*

\*Division



# See how Kimwipes® INDUSTRIAL WIPERS cut production costs

See the astonishing Comparison Demonstration that proves the superiority of Kimwipes Industrial Wipers. See in your own plant Kimwipes' excellent "pickup" . . . its conformability . . . its superior wet strength. Find out how Kimwipes can cut your production costs, save money and workers' time. Call your supplier today and ask him to show you the Kimwipes Comparison Demonstration, or request it when you send for the free Kimwipes offer below.

## FREE! your first box of Kimwipes

So that you can try them and prove to yourself how Kimwipes will cut your production costs, we will send you absolutely free one regular size box of Kimwipes 1300's. Just send your name, firm name and address to Kimberly-Clark, Neenah, Wis., Dept. PW12-19



Use Kimwipes in  
handy cartons or  
wall dispensers for:  
Laboratories  
Production lines  
Machine maintenance  
Inspection departments  
Tool rooms  
Print shops  
Finishing operations  
General plant use

KIMWIPES and KLEENEX are registered trademarks of Kimberly-Clark Corporation

KIMWIPES INDUSTRIAL WIPERS ARE MADE BY THE MAKERS OF KLEENEX TISSUES  
KIMBERLY-CLARK CORPORATION, NEENAH, WISCONSIN 